

**A RENTAL HOUSING  
MARKET STUDY FOR  
RINGGOLD, GEORGIA**  
*Bedford Place Apartments*

**June 17, 2002**

***Prepared for:***

**Georgia Department of Community Affairs**  
The Georgia Housing & Finance Authority  
60 Executive Park South NE  
Atlanta, GA 30329

***Prepared by:***

**Community Research Group, LLC**  
2380 Science Parkway  
Suite 104  
Okemos, MI 48864  
(517) 347-3253

## Table of Contents

<b>SECTION 1: INTRODUCTION .....</b>	<b>1</b>
<b>SECTION 2: EXECUTIVE SUMMARY .....</b>	<b>2</b>
<b>SECTION 3: PROJECT DESCRIPTION.....</b>	<b>4</b>
<i>PROPOSED UNIT CONFIGURATION STRUCTURE:.....</i>	<i>6</i>
<b>SECTION 4: SITE AND MARKET PROFILE.....</b>	<b>7</b>
<b>SITE CHARACTERISTICS.....</b>	<b>7</b>
<i>Map: Local Features/Amenities.....</i>	<i>9</i>
<i>Site Photos.....</i>	<i>10</i>
<i>Neighborhood Photos.....</i>	<i>11</i>
<b>PRIMARY AND SECONDARY MARKET AREA DELINEATION.....</b>	<b>13</b>
<i>Map: Northern Georgia.....</i>	<i>15</i>
<i>Map: Primary Market Area.....</i>	<i>16</i>
<i>Map: Census Tracts.....</i>	<i>17</i>
<b>SECTION 5: COMMUNITY DEMOGRAPHIC DATA .....</b>	<b>18</b>
<b>POPULATION TRENDS .....</b>	<b>18</b>
<i>Table 5.1: Population Trends (1980 to 2007) .....</i>	<i>18</i>
<i>Table 5.2: Age Distribution (1990 to 2007).....</i>	<i>20</i>
<i>Table 5.3: Average Household Size (1980 to 2007) .....</i>	<i>21</i>
<b>HOUSEHOLD TRENDS.....</b>	<b>22</b>
<i>Table 5.4: Household Trends (1980 to 2007).....</i>	<i>22</i>
<i>Table 5.5: Renter Household Trends (1990 to 2000).....</i>	<i>23</i>
<b>HOUSING STOCK COMPOSITION.....</b>	<b>24</b>
<i>Table 5.6: Housing Stock Composition (2000).....</i>	<i>24</i>
<b>MEDIAN GROSS RENT AND UNIT SIZE.....</b>	<b>25</b>
<i>Table 5.7: Median Gross Rent (1990 to 2000) .....</i>	<i>25</i>
<i>Table 5.8: Rental Unit Size Distribution (2000).....</i>	<i>26</i>
<b>ECONOMIC AND SOCIAL CHARACTERISTICS .....</b>	<b>27</b>
<i>Table 5.9: Employment by Industry (2000) .....</i>	<i>27</i>
<i>Table 5.10: Employment by Place of Work (1990).....</i>	<i>28</i>
<i>Figure One: Employment Distribution by Industry – 1990 vs. 2000.....</i>	<i>29</i>
<i>Figure Two: Area Employment Growth – Catoosa County.....</i>	<i>31</i>
<i>Figure Three: Unemployment Rate Comparison.....</i>	<i>32</i>
<i>Table 5.11: Employment Trends (1985 to Present) .....</i>	<i>33</i>
<b>INCOME TRENDS .....</b>	<b>34</b>
<i>Table 5.12: Median Household Incomes (1979 to 2007).....</i>	<i>34</i>
<i>Figure Four: HUD Median Income Trends.....</i>	<i>35</i>
<b>INCOME-QUALIFIED POPULATION .....</b>	<b>36</b>
<i>Table 5.13: Household Income Distribution (1999).....</i>	<i>36</i>
<i>Table 5.14: Future Household Income Distribution (2007).....</i>	<i>37</i>

---

<b>SECTION 6: DEMAND ANALYSIS .....</b>	<b>38</b>
<b>DEMAND FOR TAX CREDIT RENTAL UNITS.....</b>	<b>38</b>
<i>Table 6.1: Demand Calculation – by AMI (2004) .....</i>	<i>40</i>
<i>Table 6.2: Demand Calculation – by Bedroom (2004).....</i>	<i>41</i>
<b>CAPTURE AND ABSORPTION RATES.....</b>	<b>42</b>
<b>SECTION 7: SUPPLY ANALYSIS .....</b>	<b>43</b>
<b>RINGGOLD RENTAL MARKET CHARACTERISTICS .....</b>	<b>43</b>
<i>Table 7.1: Rental Housing Survey.....</i>	<i>47</i>
<i>Table 7.2: Rent Range for 1 &amp; 2 Bedrooms.....</i>	<i>48</i>
<i>Table 7.3: Rent Range for 3 &amp; 4 Bedrooms.....</i>	<i>49</i>
<i>Table 7.4: Project Amenities .....</i>	<i>50</i>
<i>Table 7.5: Additional Comparable Information .....</i>	<i>51</i>
<b>COMPARABLE/NEARBY RENTAL PROJECTS – RINGGOLD PMA.....</b>	<b>52</b>
<i>Map: Rental Developments.....</i>	<i>52</i>
<b>SECTION 8: INTERVIEWS .....</b>	<b>59</b>
<b>SECTION 9: CONCLUSIONS AND RECOMMENDATIONS .....</b>	<b>60</b>
<b>SECTION 10: SIGNED STATEMENT REQUIREMENTS.....</b>	<b>61</b>
<b>SECTION 11: BIBLIOGRAPHY.....</b>	<b>62</b>
<b>SECTION 12: RESUME .....</b>	<b>63</b>

---

**CONSULTANT CERTIFICATION/  
CERTIFICATE OF ACCURACY**

I hereby attest that this market study has been completed by an independent third party market consultant with no fees received contingent upon the funding of this proposal. Furthermore, information contained within the following report obtained through other sources is considered to be trustworthy. However, Community Research Group does not guarantee the data nor assumes any liability for any errors in fact, analysis, or judgment.

Furthermore, the following report was written according to DCA's market study requirements, and that the information included is accurate to the best of our knowledge, and that the report can be relied upon by representatives of DCA as a true assessment of the low-income housing rental market.



---

Steven R. Shaw  
**COMMUNITY RESEARCH GROUP, LLC**

Date: June 17, 2002

---

## **Section 1: INTRODUCTION**

The Georgia Department of Community Affairs (DCA) has commissioned Community Research Group, LLC to prepare the following market study to examine and analyze the Ringgold area as it pertains to the new construction of additional affordable rental housing. The subject proposal, to be named Bedford Place Apartments, is to be located along the south side of Boynton Drive, just east of Old Pollard Road, and  $\frac{3}{4}$  mile east of Highway 151. Primary access to the site will be from Boynton Drive. The property is situated in the westernmost portion of the city of Ringgold, adjacent to the north of Interstate 75, in a predominately residential area with a mix of single-family homes and multi-family apartments.

This study assumes Low Income Housing Tax Credits will be utilized in the development of a portion of the proposed rental facility, along with the associated rent and income restrictions obtained from HUD and the Georgia DCA. As a result, Bedford Place will feature units targeted at a variety of income levels: 5 units (6 percent of all units) will be restricted at 30 percent of the area's median income (AMI), 40 units (45 percent) will be restricted at 50 percent of AMI, 25 units (28 percent) will be restricted at 60 percent AMI, and the remaining 18 units (20 percent) will be unrestricted (market rate).

The primary purpose of the following market analysis is to provide evidence of sufficient market depth and demand for the successful development of the subject proposal. This will be demonstrated through an in-depth analysis of local and regional demographic and income trends, economic and employment patterns, existing housing conditions, as well as a supply and demand analysis within the Ringgold rental market area. A phone survey of existing rental projects comparable to the subject within the area was also reviewed and analyzed to further measure the potential market depth for the subject proposal.

## **Section 2: EXECUTIVE SUMMARY**

The following overview highlights the major findings and conclusions reached from information collected through demographic analysis, economic observations, and survey research of existing developments:

- Based on the information collected within this study, sufficient evidence has been introduced for the successful development and absorption of the subject proposal within the Ringgold market area. Strong occupancy levels within the overall rental market, extremely strong demographic trends for the market area, limited three-bedroom units locally, and a solid statistical demand all support the introduction of additional rental housing alternatives targeted for low and moderate-income singles and families. **Therefore, CRG forwards a PASS conclusion.**
- Current economic conditions locally are extremely positive, with more than 7,300 jobs added to the county economy since 1990 (a 36 percent increase). As of April 2002, the unemployment rate for Catoosa County was reported at 2.2 percent, a marginal increase from a year earlier (1.9 percent for April 2001). In comparison, the most recent statewide unemployment rate was 4.2 percent.
- The absorption rate is conservatively calculated at approximately ten to twelve units per month, on average, resulting in an overall absorption period of roughly seven to nine months. As such, evidence presented within the market study suggests a normal lease-up period should be anticipated based on project characteristics as proposed.
- The proposed rental rates are extremely affordable, averaging between \$0.24 and \$0.44 per square foot for the tax credit units, and between \$0.47 and \$0.49 for the market rate units. Furthermore, the subject's unit mix of one, two, and three bedroom units are appropriate for the Ringgold rental market. The three-bedroom units should prove to be the most popular, as 44 of the 50 three-bedroom units in our survey are within Oglethorpe Ridge, which is 8½ miles from Ringgold and outside of the defined PMA.
- The amenity package within the proposal is competitive, and in most cases superior, to most other developments throughout the market area. Key amenities include central air, patio/balcony, laundry hook-ups, and dishwasher. Additional amenities that will be included in the subject property that are in less than 15 percent of other developments include clubhouse, coin-operation laundry, exercise/fitness center, garbage disposal, and library – giving the subject a competitive advantage.

***Executive Summary (con't)***

- The subject property is within a predominately residential area, and within  $\frac{3}{4}$  mile of grocery, medical, employment, and recreational venues. In addition, an access ramp to Interstate 75 is less than one mile from the site, providing convenient access to other areas across the region.
- Marketing the development will be aided by its location near Interstate 75, providing prime visibility.
- Demand estimates for the proposed development show solid statistical support for the introduction and absorption of additional rental units within the Ringgold PMA. More than 29 percent of all households are income-qualified for the LIHTC portion of the project and 47 percent are qualified for the market rate units, resulting in respective capture rates of 7.9 percent and 1.3 percent. Similarly, capture rates by unit size range between 2.2 percent and 4.7 percent, all within the standard 30 percent threshold.
- Occupancy rates for rental housing remain relatively strong throughout the Ringgold market area. An overall occupancy rate of 97 percent was calculated from a May/June 2002 CRG survey of 9 rental developments identified and contacted within the PMA. In addition, six of these projects had an occupancy rate of 100 percent, and four of the closest complexes to the site have a combined rate of 98 percent, providing a clear indication of the PMA's overall market depth.

### Section 3: PROJECT DESCRIPTION

The analysis presented within this report is based on the following development configuration and assumptions:

#### **Project Size:**

Total Development Size.....	88 units
Number of LIHTC Units.....	70 units
Number of Market Rate Units.....	18 units

#### **Development Characteristics:**

- Twelve buildings (eleven residential);
- Each residential building will be two-story walk-up;
- 154 residential parking spaces;
- Seven units will be handicapped accessible;
- Two unit will be reserved for visually or hearing impaired tenants.

#### **Income Targeting:**

30 percent of AMI.....	5 units
50 percent of AMI.....	40 units
60 percent of AMI.....	25 units
Market Rate.....	18 units

#### **Project Mix:**

	<u><b>LIHTC</b></u>	<u><b>Market</b></u>	<u><b>Total</b></u>
One-bedroom/1-bath units .....	16.....	4.....	<b>20 units</b>
Two-bedroom/2-bath units.....	38.....	10.....	<b>48 units</b>
Three-bedroom/2-bath units.....	16.....	4.....	<b>20 units</b>

#### **Square Feet:**

One-bedroom units.....	783 square feet
Two-bedroom units.....	1,025 square feet
Three-bedroom units.....	1,180 square feet

#### **Rental Rates: *(Proposed contract rents net of utility allowance)***

##### ➤ **One-bedroom units:**

30 percent of AMI.....	\$207
50 percent of AMI.....	\$365
60 percent of AMI.....	\$365
Market Rate.....	\$385

##### ➤ **Two-bedroom units:**

30 percent of AMI.....	\$241
50 percent of AMI.....	\$430
60 percent of AMI.....	\$430
Market Rate.....	\$485



➤ **Three-bedroom units:**

50 percent of AMI.....	\$523
60 percent of AMI.....	\$523
Market Rate.....	\$550

**Unit Amenities\*:**

- Full kitchen, with refrigerator, stove, dishwasher, and disposal;
- Central heat and air conditioning;
- Mini-blinds for all windows;
- Washer/dryer hook-ups within all units;
- Covered patio/porch with each unit.

**Development Amenities\*:**

- Community building, with equipped fitness center, library, and computer lab (with internet service);
- Outdoor green areas, including covered picnic pavilion, gazebo and walking trails;
- Children's playground and playing field with 2 soccer goals;
- On-site laundry;
- Basketball court;
- Social, recreational, and educational programs (to be provided by GEM Management, Catoosa County Learning Center and The Family Connection);
- Transportation services through Catoosa Trans-Aid (paid for by tenant);
- On-site manager and leasing office.

**Additional Assumptions:**

- Only trash removal will be included within the rent. Tenant is responsible for electricity (including electric heat pump), water/sewer, cable television, and telephone charges.
- The development will be constructed in one phase;
- A professional management company with experience in LIHTC rental housing will be contracted to operate the facility, with pre-leasing activities beginning as soon as possible.

\*Based on project information provided by DCA.

**PROPOSED UNIT CONFIGURATION STRUCTURE:**

**PROJECT NAME:** .....**Bedford Place Apartments**

**ADDRESS:**.....325 Boynton Drive

**LOCATION:** .....Ringgold, Georgia

**TOTAL UNITS:** .....88

**OCCUPANCY:** .....FAMILY

**CONSTRUCTION:**.....NEW

**PROJECTED PLACED IN SERVICE:** ....Not Available

**TARGETED INCOMES:** .....\$9,460 to \$31,200 *(based on 30 to 60 percent of AMI\*)*  
 .....\$15,400 to \$50,000 *(based on market rents)*

	# Units	Unit Mix	# Baths	Square Feet	Contract Rent	Gross Rent	Max LIHTC Rent*	Utility Allow.
<b>1 Bedroom Apartment Units</b>								
	2	30 percent of AMI	1	783	\$207	\$276	\$281	\$69
	8	50 percent of AMI	1	783	\$365	\$434	\$469	\$69
	6	60 percent of AMI	1	783	\$365	\$434	\$563	\$69
	4	Market Rate	1	783	\$385	---	---	---
<b>2 Bedroom Apartment Units</b>								
	3	30 percent of AMI	2	1,025	\$241	\$333	\$338	\$92
	24	50 percent of AMI	2	1,025	\$430	\$522	\$563	\$92
	11	60 percent of AMI	2	1,025	\$430	\$522	\$675	\$92
	10	Market Rate	2	1,025	\$485	---	---	---
<b>3 Bedroom Apartment Units</b>								
	8	50 percent of AMI	2	1,180	\$523	\$638	\$650	\$115
	8	60 percent of AMI	2	1,180	\$523	\$638	\$780	\$115
	4	Market Rate	2	1,180	\$550	---	---	---

\*Based on 2002 LIHTC maximum income and gross rent limits for Catoosa County (Chattanooga, TN-GA MSA)

## **Section 4: SITE AND MARKET PROFILE**

### **Site Characteristics**

The proposed Bedford Place rental development is located in the extreme western portion of the city of Ringgold along the south side of Boynton Drive, just east of Old Pollard Road, and approximately  $\frac{3}{4}$  mile west of Highway 151. Although the proposal will not have frontage along Boynton Drive, the development has been approved for a 25' easement from Boynton that will serve as its primary access point. Additionally, the subject property is situated adjacent to Interstate 75 to the south, with the nearest access ramp approximately one mile away. The immediate area along Boynton Drive is predominately residential in character, featuring a combination of multi-family and single-family homes, as well as scattered vacant undeveloped property and commercial businesses. Adjacent to the north and west of the site are single-family residential properties, while vacant wooded property can be found to the east. The site is located within Census Tract 302 of Catoosa County with current zoning acceptable for the development of the proposed facility. The total size of the property is 12.5 acres, consisting of flat, vacant, and wooded land. Adjacent land usages are as follows:

**North:** Single-family homes  
**South:** Interstate 75  
**East:** Vacant (wooded)  
**West:** Single-family homes

Overall, the immediate neighborhood features single-family homes, four multi-family rental complexes within  $\frac{1}{2}$  mile (Boynton Townhomes, Rosewood Apartments I and II, and Oak Ridge Apartments), and scattered commercial properties to the east. The exterior condition of several homes and mobile homes situated along Old Pollard Road and adjacent to the site to the west can be considered to be in poor condition and upkeep. However, the appearance of homes along Boynton Road are in good or better condition, thereby limiting any negative impact these homes along Old Pollard may have on the marketability of the site.

Because of its proximity to I-75, the subject property will have exceptional visibility from a highly traveled thoroughfare, as well as convenient access to the region's various shopping, medical facilities, employment, and other needed amenities.

The subject property is situated near a number of Ringgold's primary retail locations, and approximately 1½ miles from the downtown business district. Scattered commercial establishments can be found along Boynton Road within ½ mile of the site, including His N Hers Hair Design, Boots To Petti Pants, and the REMCO Business Center (which contains a doctor's office, pediatric center, and a consignment store among others). However, the nearest significant retail concentration can be found approximately ¾ mile east of the site along Highway 151 near the intersection with Interstate 75. This area contains several hotels (Super 8, Best Western, and Holiday Inn Express) and numerous restaurants, most of which are fast food (including KFC, Taco Bell, Pizza Hut, Hardee's, McDonald's, Krystal, and Ruby Tuesdays).

In addition to an Ingle's Market, Golden Gallon convenience store, Family Dollar, and CVS/Pharmacy, a number of banks (including Gateway Bank and Trust, Northwest Georgia Bank, SouthTrust Bank, and Capital Bank) can also be found along the Highway 151 corridor less than one mile from the site. Furthermore, the Ringgold Square shopping center is situated just south of Interstate 75 along Highway 151, and contains the following:

- Food Lion (w/ deli & bakery)
- Carriage Cleaners
- Curves for Women
- Dominoes

Medical services for residents in the Ringgold area are provided by the Hutcheson Medical Center in Fort Oglethorpe, approximately 9 miles from the subject property. Locally, the nearest doctors offices include Henry J. Baughman MD and Promise Pediatrics (each located approximately ½ mile east along Boynton Drive), and the RCP Medical Center (located 1½ mile north along U.S. 41 east of Highway 151).

Catoosa County Schools provide primary education opportunities for area residents, and is comprised of one primary school, 7 elementary schools, two middle schools, one high school, and one alternative school. The nearest of these to the subject property include the Ringgold Elementary School (2¼ miles south), the Ringgold Middle School (2 miles northeast), and the Ringgold High School (2 miles northeast).

**Map: Local Features/Amenities**  
**Ringgold PMA**



**Site Photos**

**Site – facing east from Old Pollard Road**



**Site – facing south from Old Pollard Road**





**Neighborhood Photos**

**Facing north along Old Pollard Road**



**Home/Trailer along Old Pollard Road**





**Facing west along Boynton Drive**



**Facing east along Boynton Drive**





**Primary and Secondary Market Area Delineation**

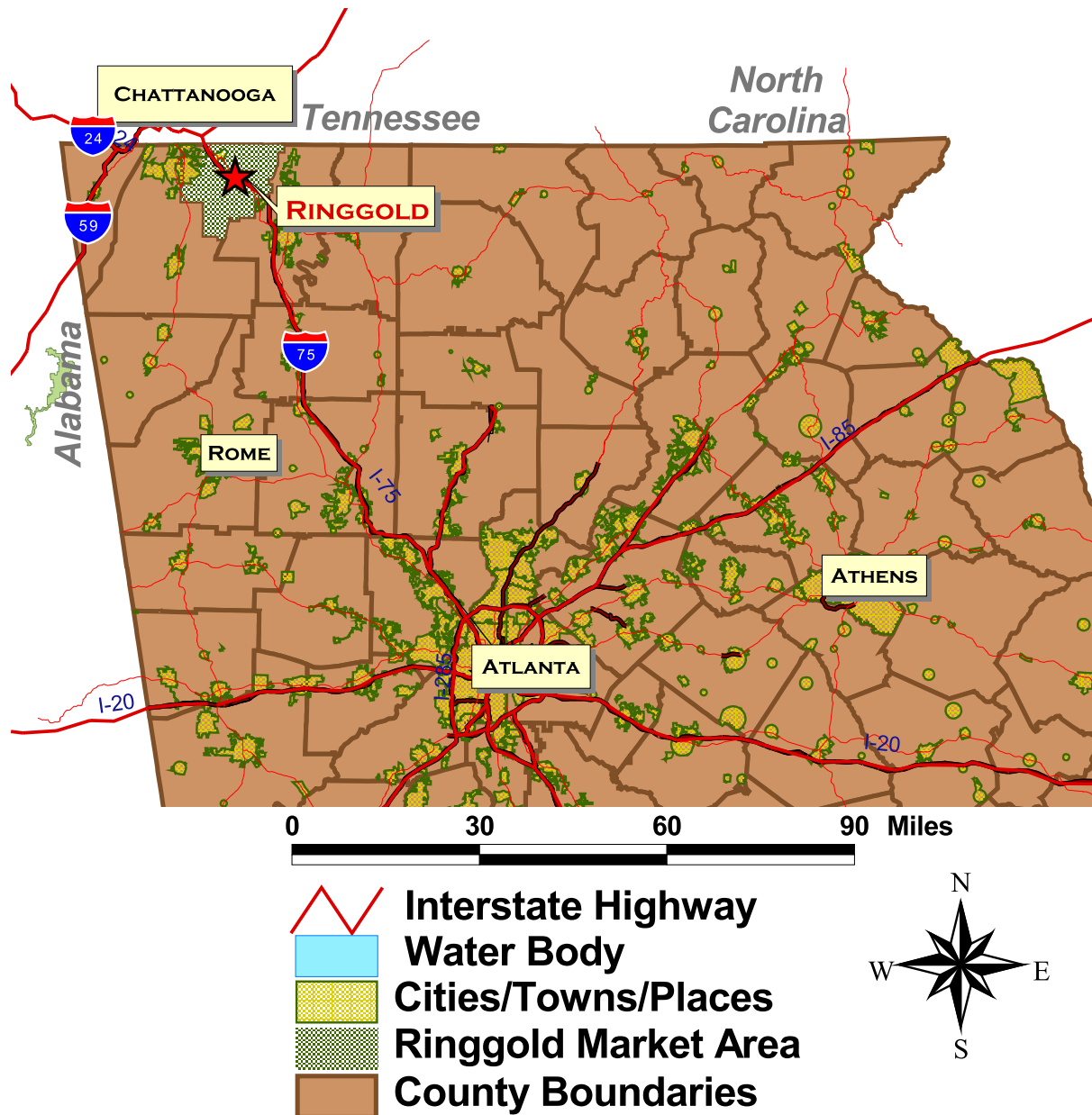
The Ringgold Primary Market Area (PMA), as defined for the use throughout this study, consists of the majority of Catoosa County, including Ringgold and Indian Springs CDP. As such, the PMA excludes only the northwestern portion of the county consisting of Fort Oglethorpe and Lakeview CDP. Specifically, the PMA consists of 5 census tracts (utilizing 2000 Census boundary delineations) and is roughly encompassed by the Georgia/Tennessee border to the north, the Catoosa/Whitfield County border to the east, the West Chickamauga Creek to the west, and the Catoosa/Walker/Whitfield County border to the south. A visual representation of the PMA, and census tracts within the PMA, can be found in the maps on the following pages. In general terms, the market area reaches approximately five miles to the north and west, and roughly seven miles to the south and east, and represents the area from which the majority of potential residents for the subject development currently reside.

The following demographic and income information, comparables, and demand analysis are based on the PMA as defined above and outlined in the following maps. The aforementioned market area delineation can be considered as somewhat conservative as the draw to the subject property likely reaches out further than the defined market area due to the positive perception of the local school system and the presence of Interstate 75, which conveniently links Ringgold to larger employment areas such as Chattanooga to the north, and Dalton to the south. In addition, the city of Ringgold and Catoosa County have also been used throughout the analysis for local and regional comparisons.

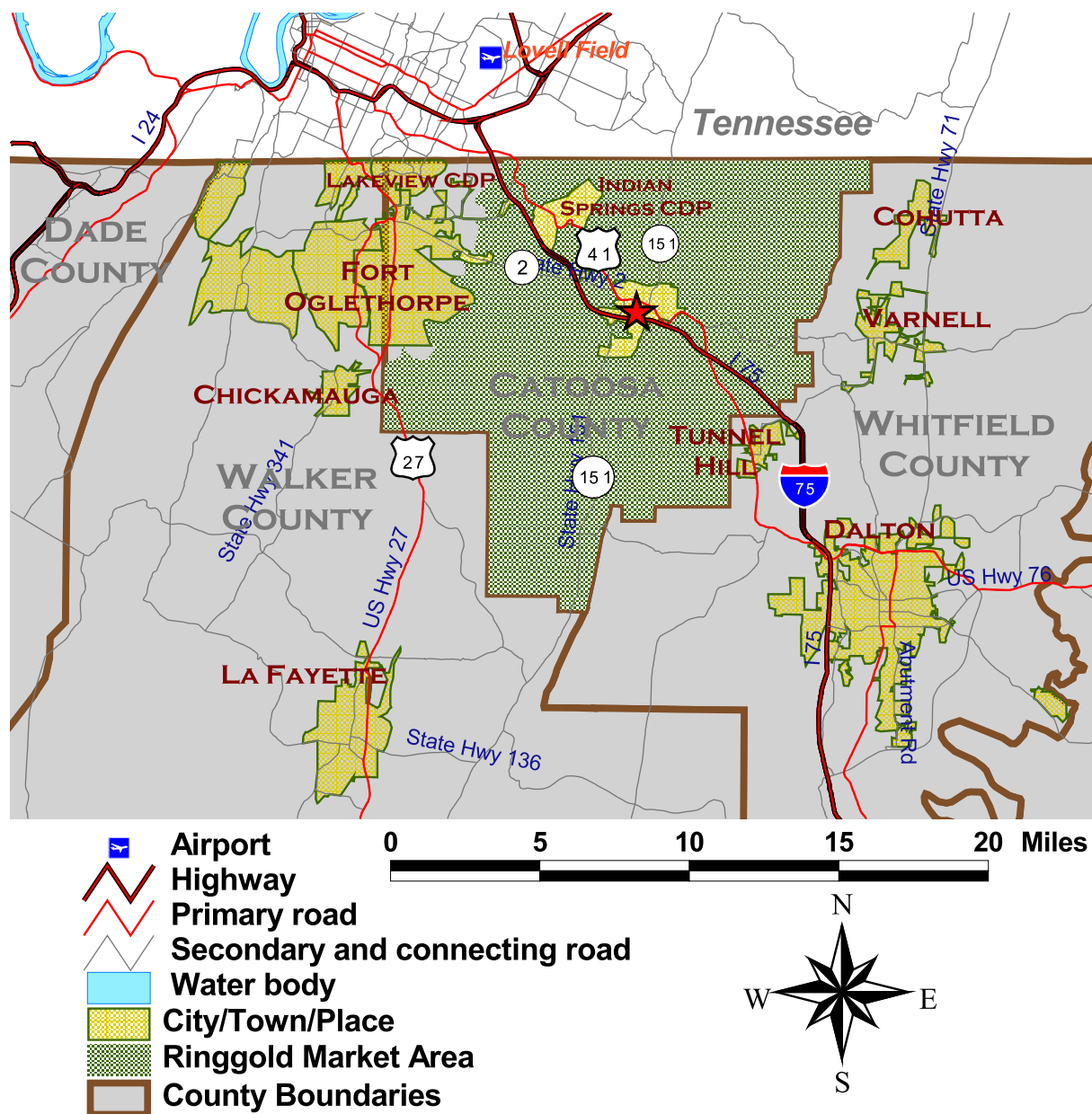
Areas relatively close to the site of the subject development, but not included within the PMA, comprise the Secondary Market Area (SMA). While not included within the actual analysis throughout this report, it is important to remember that these areas could also yield potential residents for the proposed rental community. These nearby secondary sources include persons currently residing in the communities of Fort Oglethorpe, Rossville, Chattanooga, Dalton, LaFayette, and other neighboring communities.

When defining the primary and secondary market areas, the local roadway infrastructure, commuting patterns, and other existing socio-economic conditions were utilized. With this in mind, key transportation routes located near the subject property make the location convenient for many households from both inside and outside of the immediate area. Most importantly, Interstate 75 runs adjacent to the site and has an access ramp approximately one mile east, providing a convenient and direct route to several larger retail and employment areas within the region (such as Chattanooga to the north, and Dalton to the south). In addition, Highway 2 (Battlefield Parkway), Highway 151 (Alabama Highway), and U.S. 76/41 provide additional transportation routes throughout the PMA and neighboring areas.

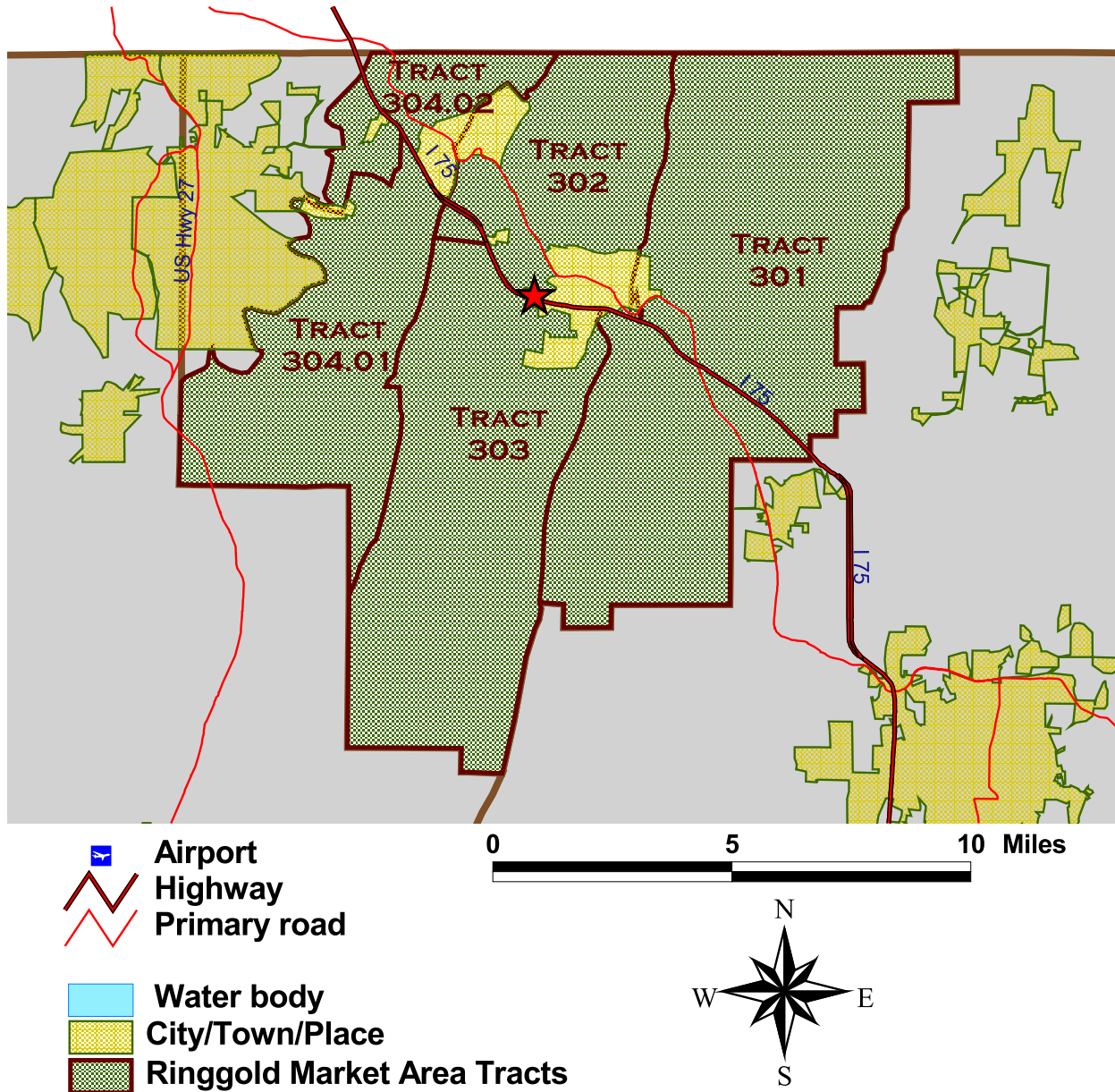
**Map: Northern Georgia**



**Map: Primary Market Area**  
**Ringgold PMA**



**Map: Census Tracts**  
*Ringgold PMA*



## **Section 5: COMMUNITY DEMOGRAPHIC DATA**

### **Population Trends**

Demographic patterns within Ringgold and the PMA have far outpaced Catoosa County as a whole since 1980, with growth rates for Ringgold itself nearly doubling that of the county during the past decade. According to 2000 Census data, the PMA had a population of 37,804 persons, representing a gain of 37 percent from 1990's population count of 27,524 persons (a gain of more than 10,000 persons). In comparison, the city exhibited somewhat stronger gains relative to the PMA – increasing by 45 percent during this same time span. Although a portion of the city growth can be attributed to annexations made during the decade, the strong growth for the PMA (which is not influenced by annexations) clearly demonstrates positive patterns locally.

Future population projections provided by Claritas (a third-party demographic forecasting service) illustrate further solid growth for the PMA and Catoosa County through 2007, but a marginal decline for Ringgold. Because Claritas has yet to update its database with new 2000 delineations, this city figure is likely grossly underestimated. However, forecasts for the PMA and county are realistic. As such, a population of 43,248 persons is forecast for the PMA in 2007, representing an increase of 14 percent from 2000, demonstrating ongoing positive patterns.

**Table 5.1: Population Trends (1980 to 2007)**

	<b><u>City of Ringgold</u></b>	<b><u>PMA</u></b>	<b><u>Catoosa County</u></b>
<b>1980 Population</b>	<b>1,470</b>	<b>21,754</b>	<b>36,991</b>
<b>1990 Population</b>	<b>1,675</b>	<b>27,524</b>	<b>42,464</b>
Percent Change (1980-1990)	13.9%	26.5%	14.8%
<b>2000 Population</b>	<b>2,422</b>	<b>37,804</b>	<b>53,282</b>
Percent Change (1990-2000)	44.6%	37.3%	25.5%
<b>2002 Population Estimate</b>	<b>2,417</b>	<b>39,359</b>	<b>54,905</b>
Percent Change (2000-2002)	-0.2%	4.1%	3.0%
<b>2004 Population Forecast</b>	<b>2,411</b>	<b>40,915</b>	<b>56,527</b>
Percent Change (2000-2004)	-0.4%	8.2%	6.1%
<b>2007 Population Forecast</b>	<b>2,403</b>	<b>43,248</b>	<b>58,961</b>
Percent Change (2000-2007)	-0.8%	14.4%	10.7%
SOURCE: 1980-2000 Census of Population and Housing, STF 1A/SF1, U.S. Census Bureau; Claritas, Inc.			

Persons between the ages of 20 and 44 will likely represent the majority of potential residents for the proposed rental facility, when considering the subject proposal's location and unit mix. As such, this key age segment was the largest population group in 2000 for all three geographic levels, and projections indicate it will remain the largest group through 2007. For the PMA, the 20 to 44 age segment accounted for 38 percent of the total population in 2000, while representing 39 percent and 37 percent for the city and county, respectively. Between 1990 and 2000, this age group increased by 30 percent within the PMA, while increasing by over 50 percent within Ringgold over the same time span.

Claritas forecasts indicate the 20 to 44 age segment will remain the largest age cohort in 2007 within the PMA, although decreasing in number somewhat in all three geographic levels analyzed—representing the only age segment to do so. As this portion of the 1990 population has steadily moved into an older age group in 2000 and 2007, these decreases can largely be attributed to the on-going aging of the baby boom generation and should not be of great concern. Despite these declines, however, the 20 to 44 group is expected to represent 32 percent of the PMA and county overall 2007 population count. In comparison, the 45 and over age groups (especially the 45 to 64 age cohort, which is comprised primarily of baby boomers) are expected to be the fastest growing age segments within all three areas between 2000 and 2007, again demonstrating the overall aging shift of the population seen throughout much of the nation. Overall, the continued high percentage of persons within the 20 to 44 age group seen throughout the region signify positive trends for the subject proposal by continuing to provide a solid base of potential tenants for the subject development.

**Table 5.2: Age Distribution (1990 to 2007)**

	<b><u>City of Ringgold</u></b>	<b><u>PMA</u></b>	<b><u>Catoosa County</u></b>
<b>Age Less than 20 - 1990</b>	<b>437</b>	<b>8,489</b>	<b>12,413</b>
Percent of total 1990 population	26.1%	30.8%	29.2%
<b>Age Between 20 and 44 - 1990</b>	<b>619</b>	<b>11,016</b>	<b>16,252</b>
Percent of total 1990 population	37.0%	40.0%	38.3%
<b>Age Between 45 and 64 - 1990</b>	<b>343</b>	<b>5,627</b>	<b>9,185</b>
Percent of total 1990 population	20.5%	20.4%	21.6%
<b>Age 65 and Over - 1990</b>	<b>276</b>	<b>2,392</b>	<b>4,614</b>
Percent of total 1990 population	16.5%	8.7%	10.9%
<b>Age Less than 20 - 2000</b>	<b>645</b>	<b>11,143</b>	<b>15,030</b>
Percent of total 2000 population	26.6%	29.5%	28.2%
Percent change (1990 to 2000)	47.6%	31.3%	21.1%
<b>Age Between 20 and 44 - 2000</b>	<b>936</b>	<b>14,307</b>	<b>19,482</b>
Percent of total 2000 population	38.6%	37.8%	36.6%
Percent change (1990 to 2000)	51.2%	29.9%	19.9%
<b>Age Between 45 and 64 - 2000</b>	<b>479</b>	<b>8,777</b>	<b>12,448</b>
Percent of total 2000 population	19.8%	23.2%	23.4%
Percent change (1990 to 2000)	39.7%	56.0%	35.5%
<b>Age 65 and Over - 2000</b>	<b>362</b>	<b>3,577</b>	<b>6,322</b>
Percent of total 2000 population	14.9%	9.5%	11.9%
Percent change (1990 to 2000)	31.2%	49.5%	37.0%
<b>Age Less than 20 - 2007</b>	<b>570</b>	<b>11,774</b>	<b>15,542</b>
Percent of total 2007 population	23.7%	27.2%	26.4%
Percent change (2000 to 2007)	-11.6%	5.7%	3.4%
<b>Age Between 20 and 44 - 2007</b>	<b>802</b>	<b>13,746</b>	<b>18,647</b>
Percent of total 2007 population	33.4%	31.8%	31.6%
Percent change (2000 to 2007)	-14.3%	-3.9%	-4.3%
<b>Age Between 45 and 64 - 2007</b>	<b>662</b>	<b>12,574</b>	<b>16,818</b>
Percent of total 2007 population	27.5%	29.1%	28.5%
Percent change (2000 to 2007)	38.2%	43.3%	35.1%
<b>Age 65 and Over - 2007</b>	<b>369</b>	<b>5,154</b>	<b>7,955</b>
Percent of total 2007 population	15.4%	11.9%	13.5%
Percent change (2000 to 2007)	1.9%	44.1%	25.8%
SOURCE: 1990-2000 Census of Population and Housing, STF 1A/SF1, U.S. Census Bureau; Claritas, Inc.			



Average household sizes throughout Catoosa County have historically shown a shift toward smaller family sizes and an increasing percentage of elderly households – another effect of the aging of the baby boomer generation and consistent with national trends. For the PMA, the average household size was 2.70 persons in 2000, representing a decrease of 3 percent from 1990's average of 2.79 persons. Ringgold and the county household sizes follow the same patterns, although household sizes are generally smaller. Based on projections obtained from Claritas, average household sizes are forecast to continue to decline between 2000 and 2007 at slightly higher rates than the previous decade.

In comparison to the PMA, Ringgold and Catoosa County contain slightly smaller household sizes, on average. According to 2000 Census data, the city had an average household size of 2.25 persons, while the county had an average of 2.59 persons per household.

**Table 5.3: Average Household Size (1980 to 2007)**

	<b><u>City of Ringgold</u></b>	<b><u>PMA</u></b>	<b><u>Catoosa County</u></b>
<b>1980 Average Household Size</b>	<b>2.73</b>	<b>3.01</b>	<b>2.92</b>
<b>1990 Average Household Size</b>	<b>2.34</b>	<b>2.79</b>	<b>2.67</b>
Percent Change (1980-1990)	-14.4%	-7.2%	-8.5%
<b>2000 Average Household Size</b>	<b>2.25</b>	<b>2.70</b>	<b>2.59</b>
Percent Change (1990-2000)	-3.7%	-3.2%	-3.2%
<b>2002 Average Household Size Estimate</b>	<b>2.20</b>	<b>2.66</b>	<b>2.56</b>
Percent Change (2000-2002)	-2.2%	-1.5%	-1.2%
<b>2004 Average Household Size Forecast</b>	<b>2.16</b>	<b>2.63</b>	<b>2.53</b>
Percent Change (2000-2004)	-4.2%	-2.9%	-2.3%
<b>2007 Average Household Size Forecast</b>	<b>2.09</b>	<b>2.58</b>	<b>2.49</b>
Percent Change (2000-2007)	-7.2%	-4.7%	-3.8%
SOURCE: 1980-2000 Census of Population and Housing, STF 1A/SF1, U.S. Census Bureau; Claritas, Inc.			

### **Household Trends**

Consistent with population trends, much of Catoosa County has experienced sizeable household growth since 1980, while Claritas forecasts indicate continued solid growth between 2000 and 2007. According to 2000 Census data, households increased by 42 percent between 1990 and 2000 within the PMA, rising to an occupied household figure of 13,929 (an increase of nearly 4,100 households). Furthermore, household projections indicate that the PMA is expected to increase by an additional 20 percent (2,800 new households) through 2007.

Within Catoosa County as a whole, the number of households increased by 30 percent between 1990 and 2000, while estimates indicate a projected gain of 15 percent between 2000 and 2007. Historical growth patterns for Ringgold are similar, with an increase of 50 percent in the number of households during the last decade. Again, future gains within the city are significantly underestimated by Claritas and should not be of much concern.

**Table 5.4: Household Trends (1980 to 2007)**

	<b><u>City of Ringgold</u></b>	<b><u>PMA</u></b>	<b><u>Catoosa County</u></b>
<b>1980 Households</b>	<b>532</b>	<b>7,221</b>	<b>12,648</b>
<b>1990 Households</b>	<b>691</b>	<b>9,834</b>	<b>15,745</b>
Percent Change (1980-1990)	29.9%	36.2%	24.5%
<b>2000 Households</b>	<b>1,033</b>	<b>13,929</b>	<b>20,425</b>
Percent Change (1990-2000)	49.5%	41.6%	29.7%
<b>2002 Household Estimate</b>	<b>1,053</b>	<b>14,727</b>	<b>21,304</b>
Percent Change (2000-2002)	2.0%	5.7%	4.3%
<b>2004 Household Forecast</b>	<b>1,074</b>	<b>15,525</b>	<b>22,183</b>
Percent Change (2000-2004)	3.9%	11.5%	8.6%
<b>2007 Household Forecast</b>	<b>1,104</b>	<b>16,722</b>	<b>23,502</b>
Percent Change (2000-2007)	6.9%	20.1%	15.1%

SOURCE: 1980-2000 Census of Population and Housing, STF 1A/SF1, U.S. Census Bureau; Claritas, Inc.

Growth rates for renter occupied households within the Ringgold PMA were somewhat lower than growth rates experienced by overall households during the 1990's. In 2000, 2,580 renter-occupied households were reported within the PMA, representing an increase of 33 percent from 1990 figures (a gain of more than 625 renter households). In comparison, the number of renter households within Ringgold nearly doubled during the same time frame, increasing in excess of 80 percent (225 additional renter households). The larger increase in the number of renter households within the city relative to overall household growth are the result of several apartment developments constructed during the decade (including Spring Hill Apartments, Georgian Court, Boynton Townhouses, Meadowview Apartments, and Town Villa Apartments), as well as the conversion of older single-family homes to renter-occupied households to a lesser extent.

Renter household propensities within the PMA were consistent to that recorded for Catoosa County, but substantially lower than that recorded for Ringgold, as the number of rental homes and apartment developments are much more prevalent within the city. Overall, renter household propensities are quite high throughout the area. For the PMA, the renter household percentage was calculated at 19 percent in 2000, representing a slight decline from 20 percent a decade earlier. In comparison, Ringgold had a renter household percentage of 50 percent in 2000 (up from 41 percent in 1990), while Catoosa County contained 23 percent renter households.

**Table 5.5: Renter Household Trends (1990 to 2000)**

	<b><u>City of Ringgold</u></b>	<b><u>PMA</u></b>	<b><u>Catoosa County</u></b>
<b>1990 Renter Households</b>	<b>284</b>	<b>1,944</b>	<b>3,794</b>
Percent of total 1990 households	41.1%	19.8%	24.1%
<b>2000 Renter Households</b>	<b>513</b>	<b>2,580</b>	<b>4,686</b>
Percent of total 2000 households	49.7%	18.5%	22.9%
Percent change (1990 to 2000)	80.6%	32.7%	23.5%
SOURCE: 1990 and 2000 Census of Population and Housing, STF 1A/SF1, U.S. Census Bureau			

### **Housing Stock Composition**

Similar within both Ringgold and Catoosa County as a whole, the majority of residents were housed in single-family structures in 2000. According to U.S. Census data, approximately 60 percent of all households within the city were single-family dwellings, while 29 percent were in multi-family structures (apartments or condominiums). Mobile homes, trailers, and other arrangements represented the remaining 10 percent of the households within the city. For the county, 73 percent of all housing units were single-family structures, 10 percent were multi-family units, and 17 percent were mobile homes. Housing stock information is not yet available for census tracts (in which the PMA is comprised) for 2000.

**Table 5.6: Housing Stock Composition (2000)**

	<b><u>City of Ringgold</u></b>	<b><u>PMA</u></b>	<b><u>Catoosa County</u></b>
<b>Single-Family</b>	<b>666</b>	<b>NA</b>	<b>15,952</b>
Percent of total structures	60.3%	--	73.2%
<b>Multi-Family</b>	<b>324</b>	<b>NA</b>	<b>2,222</b>
Percent of total structures	29.3%	--	10.2%
<b>2 to 4 units</b>	<b>126</b>	<b>NA</b>	<b>1,074</b>
Percent of total structures	11.4%	--	4.9%
<b>5 or more units</b>	<b>198</b>	<b>NA</b>	<b>1,148</b>
Percent of total structures	17.9%	--	5.3%
<b>Mobile Homes - Total</b>	<b>114</b>	<b>NA</b>	<b>3,611</b>
Percent of total structures	10.3%	--	16.6%
<b>Other</b>	<b>0</b>	<b>NA</b>	<b>9</b>
Percent of total structures	0.0%	--	0.0%
SOURCE: Table DP-4 - U.S. Census Bureau, Census 2000, U.S. Census Bureau			

**Median Gross Rent and Unit Size**

The median gross rent within Ringgold was recorded at \$478 in 2000, according to information recently published by the U.S. Census. In comparison, the median gross rent within Catoosa County was a similar \$482. Because this data is not yet available at the census tract level, the median gross rent is estimated at \$512 for the PMA, approximately 6 to 7 percent greater than both the city and county. The PMA estimate is based on an average annual increase of approximately 3½ percent – reflective of average rental costs as indicated within the rental housing survey section.

**Table 5.7: Median Gross Rent (1990 to 2000)**

	<b><u>City of Ringgold</u></b>	<b><u>PMA</u></b>	<b><u>Catoosa County</u></b>
<b>1990 Median Gross Rent</b>	<b>\$296</b>	<b>\$363</b>	<b>\$358</b>
<b>2000 Median Gross Rent</b>	<b>\$478</b>	<b>\$512</b>	<b>\$482</b>
Total percent change (1990 to 2000)	61.5%	41.1%	34.6%
Annual percent change (1990 to 2000)	4.9%	3.5%	3.0%
SOURCE: 1990 and 2000 Census of Population and Housing, STF 3A/SF 3, U.S. Census Bureau; CRG			

As with the case of overall household sizes, the PMA has slightly larger average renter household sizes when compared to Ringgold and Catoosa County. Data collected from the U.S. Census Bureau on the rental unit size distribution reveal that more than ½ of rental units contain one or two persons in each area analyzed. As such, one-person households accounted for 29 percent of all rental units in 2000, while two-persons represented 28 percent. Three- and four-person households represented the greatest proportion of rental units at 35 percent, while those households with five or more persons accounted for 9 percent of the PMA's rental household count.

With a relatively broad mix of rental households (56 percent two persons or less; 44 percent three person or more), the subject proposal's unit mix of one, two, and three bedroom units is properly positioned and consistent with characteristics of the existing rental market. The average persons per rental unit ratio was calculated at 2.52 persons for the PMA for 2000, slightly smaller than that recorded a decade earlier (2.69 persons per unit).

**Table 5.8: Rental Unit Size Distribution (2000)**

	<b><u>City of Ringgold</u></b>	<b><u>PMA</u></b>	<b><u>Catoosa County</u></b>
<b>One Person</b>	<b>202</b>	<b>736</b>	<b>1,524</b>
Percent of total renter households	39.4%	28.5%	32.5%
<b>Two Persons</b>	<b>153</b>	<b>715</b>	<b>1,276</b>
Percent of total renter households	29.8%	27.7%	27.2%
<b>Three or Four Persons</b>	<b>132</b>	<b>908</b>	<b>1,511</b>
Percent of total renter households	25.7%	35.2%	32.2%
<b>Five or More Person</b>	<b>26</b>	<b>221</b>	<b>375</b>
Percent of total renter households	5.1%	8.6%	8.0%
<b>Median Persons Per Rental Unit - 1990</b>	<b>2.26</b>	<b>2.69</b>	<b>2.52</b>
<b>Median Persons Per Rental Unit - 2000</b>	<b>2.13</b>	<b>2.52</b>	<b>2.41</b>
SOURCE: 1990 and 2000 Census of Population and Housing, SF1, U.S. Census Bureau			

**Economic and Social Characteristics**

Ringgold's economy is relatively balanced, but has historically been dependant on the textile industry. Based on recently released 2000 Census data (with only place and county information available at the present time), the majority of the area's employment is based mainly in the services, manufacturing, and retail trade sectors. As such, the services sector represented the largest employment segment within both Ringgold and Catoosa County in 2000, accounting for 34 percent of all employed persons. Manufacturing occupations were the second most prevalent source of employment, representing 25 percent of all employed persons in the city and 23 percent within the county.

**Table 5.9: Employment by Industry (2000)**

	<b>City of Ringgold</b>	<b>PMA</b>	<b>Catoosa County</b>
<b>Agriculture and Mining</b>	<b>0</b>	<b>NA</b>	<b>147</b>
Percent	0.0%	--	0.6%
<b>Construction</b>	<b>78</b>	<b>NA</b>	<b>1,756</b>
Percent	7.0%	--	6.6%
<b>Manufacturing</b>	<b>282</b>	<b>NA</b>	<b>6,127</b>
Percent	25.2%	--	23.0%
<b>Transportation and Public Utilities</b>	<b>99</b>	<b>NA</b>	<b>1,914</b>
Percent	8.8%	--	7.2%
<b>Wholesale Trade</b>	<b>28</b>	<b>NA</b>	<b>912</b>
Percent	2.5%	--	3.4%
<b>Retail Trade</b>	<b>122</b>	<b>NA</b>	<b>3,817</b>
Percent	10.9%	--	14.3%
<b>Finance, Insurance, &amp; Real Estate</b>	<b>57</b>	<b>NA</b>	<b>2,037</b>
Percent	5.1%	--	7.6%
<b>Services</b>	<b>375</b>	<b>NA</b>	<b>9,022</b>
Percent	33.5%	--	33.8%
<b>Public Administration</b>	<b>78</b>	<b>NA</b>	<b>930</b>
Percent	7.0%	--	3.5%

SOURCE: Table DP-3 - U.S. Census Bureau, Census 2000, U.S. Census Bureau

Based on its proximity to Chattanooga and the Tennessee state border, as well as the area's convenient transportation network (especially Interstate 75), it is not surprising that a large number of the PMA's residents are employed outside of Catoosa County. According to the 1990 U.S. Census (this detailed information is not yet available for 2000), nearly two-thirds of the PMA workforce was employed outside of the county. As such, 25 percent worked in another county of Georgia, while 41 percent had employment within Tennessee with the vast majority employed within Chattanooga.

**Table 5.10: Employment by Place of Work (1990)**

	<b><u>City of Ringgold</u></b>	<b><u>PMA</u></b>	<b><u>Catoosa County</u></b>
<b>Place of Work within County</b>	<b>326</b>	<b>4,458</b>	<b>6,287</b>
Percent	52.5%	33.5%	31.6%
<b>Place of Work Outside of County</b>	<b>168</b>	<b>3,385</b>	<b>4,362</b>
Percent	27.1%	25.4%	21.9%
<b>Place of Work Outside of State</b>	<b>127</b>	<b>5,482</b>	<b>9,232</b>
Percent	20.5%	41.1%	46.4%

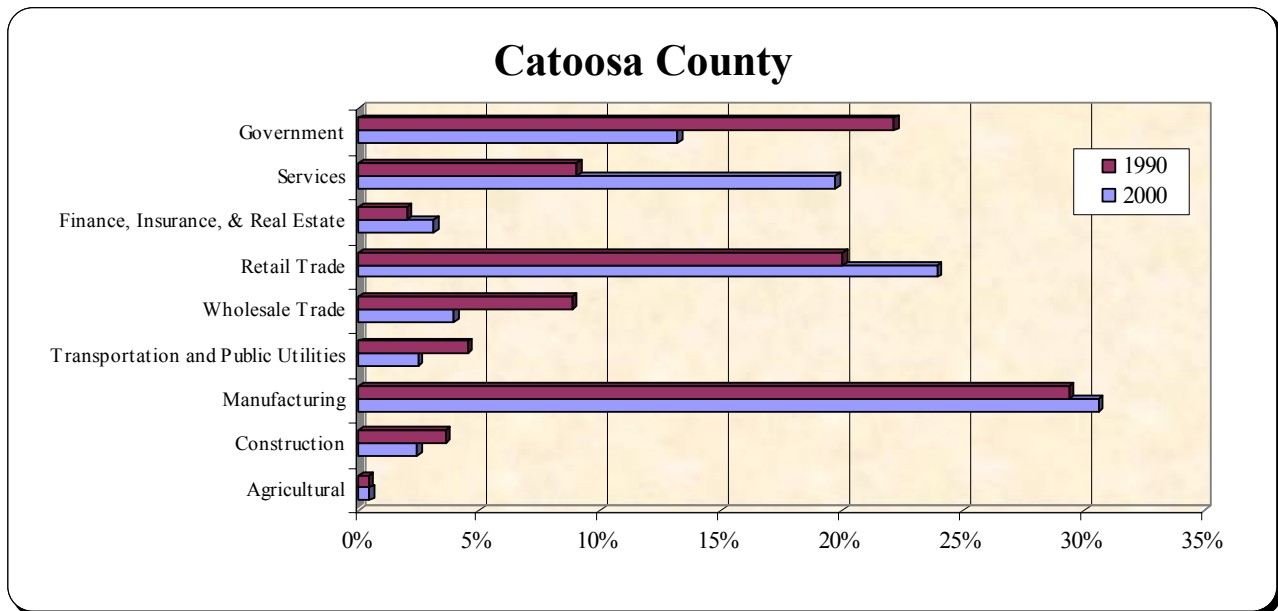
SOURCE: 1990 Census of Population and Housing, STF 3A, U.S. Census Bureau

According to information contained within the Catoosa County Area Labor Profile published by the Georgia Department of Labor (which is based on 1990 Census data), just over ½ of the 12,250 persons (51 percent) that worked within Catoosa County in 1990 actually lived within the county. The two other most significant sources of employees for local businesses include Walker County (representing 24 percent of the county's workforce) and Tennessee (18 percent).



ES-202 employment data in the following figure obtained from the U.S. Bureau of Labor Statistics illustrates employment trends within Catoosa County during the past decade. As can be seen in the following figure, the county has become much more reliant on service-related positions since 1990 while at the same time less dependent on wholesale and retail trade and government jobs. Overall, the most significant employment sector in 2000 still was the manufacturing sector at 31 percent of all employed persons – a slight gain from 29 percent in 1990 (a net increase of 35 percent during this time span). Next was the retail trade sector which increased by 55 percent during the decade, increasing from 20 percent of all jobs in 1990 to 24 percent in 2000. The third largest employment area in 2000 (as well as the county's largest growth sector between 1990 and 2000) was the services sector with 20 percent of all jobs, representing an increase of 183 percent from 1990 when the industry had a representation of just 9 percent. Government positions experienced one of the largest decreases in employment during the last decade, decreasing from 22 percent of all jobs in 1990 to just 13 percent in 2000. It is quite clear that the overall economy throughout Catoosa County has diversified in recent years and is quite strong, as most every employment sector gained in net employment since 1990, most notably with finance/insurance/real estate and services positions each increasing by more than 100 percent over this time.

**Figure One: Employment Distribution by Industry – 1990 vs. 2000**

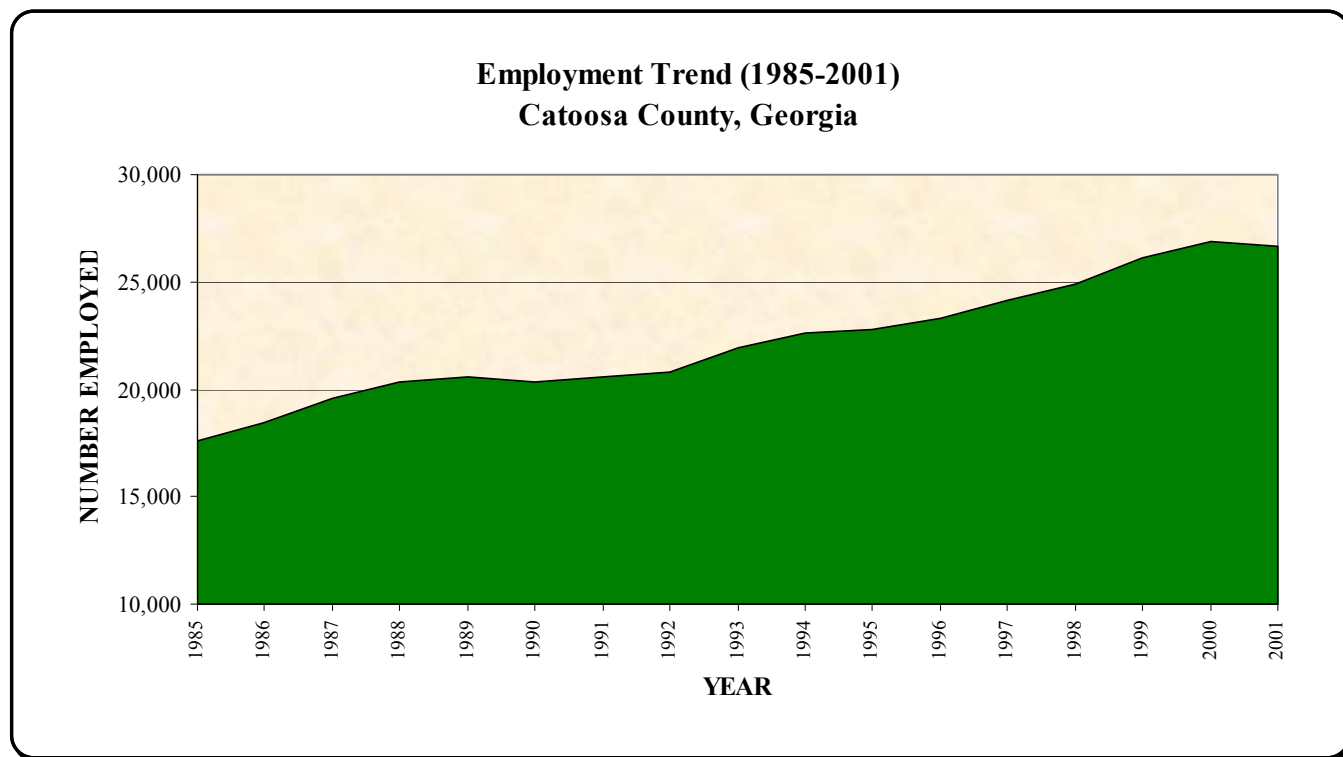


As can be seen in the table below, the top employers within Catoosa County represent several different industries. Based on updated information (as of April 8, 2002) provided by the Catoosa County Development Authority via the Catoosa County Area Chamber of Commerce, Hutcheson Medical Center, Shaw Industries, and the Catoosa County School System are the largest employers within the area, each employing approximately 1,300 persons or more in a variety of positions. Wal-Mart, Catoosa County, and several manufacturing companies are also key influences in the area's economy. The top 15 employers within Catoosa County include the following:

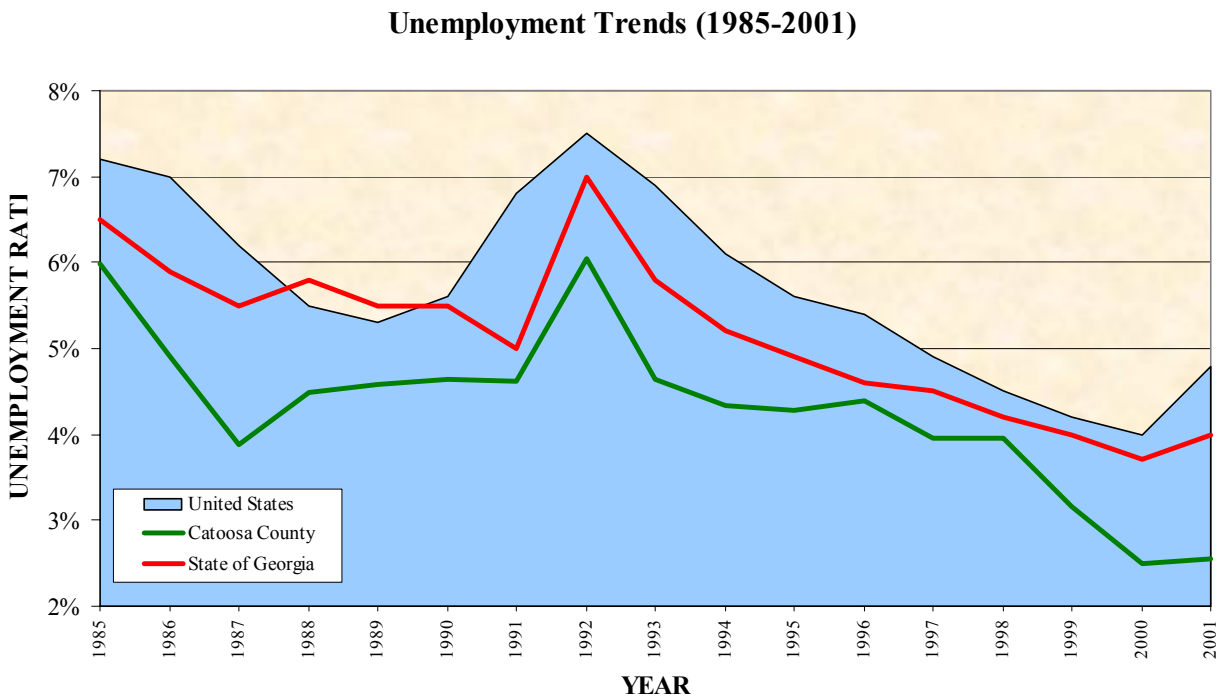
<b><u>Employer</u></b>	<b><u>Employees</u></b>
Hutcheson Medical Center	1,400
Shaw Industries	1,360
Catoosa County School System	1,293
Wal-Mart	480
Candlewick Yarn	350
Catoosa County Government	330
Galaxy Carpet Mill, Inc.	285
Synthetic Industries	275
Lowe's Home Improvement	160
Pyramid Mouldings	150
North Georgia Ready Mix	100
Container Service Corporation	100
K-Mart	98
Tri-State Steel Drum	85
Victory Sign Industries, Ltd.	80

Overall, economic conditions have been relatively positive throughout Catoosa County, with sustained job creation since 1985. Additionally, the annual unemployment rate has historically been below both the state and national averages, and is currently among the lowest within the state. Information obtained from the Georgia Department of Labor is presented in the following figures and clearly illustrates these employment patterns throughout the county. More than 7,300 jobs (a 36 percent increase) have been added to the county since 1990, and more recently, 4,900 positions have been added since 1995 (an increase of 22 percent). As a result, the county's annual average unemployment rate has consistently been below the state and national averages, and has been below 4 percent since 1997. Although the number of employed persons decreased slightly between 2000 and 2001 due to an economic slowdown, the unemployment rate remained extremely low at 2.6 percent. As of April 2002, the unemployment rate was reported at 2.2 percent (as compared to 1.9 percent for April 2001), remaining substantially below the state average (4.2 percent) and national average (5.7 percent). As can be seen, the local economy remains rather strong.

**Figure Two: Area Employment Growth – Catoosa County**



**Figure Three: Unemployment Rate Comparison**



Based on information from the Catoosa County Chamber of Commerce, no significant additions or contractions in employment are expected locally. However, it was mentioned that the current economy is stable, and many small companies are expanding production facilities and adding a small number of employees.

Overall, the county's prevailing average incomes are reflective of the need for modern, safe, affordable housing. The relatively low unemployment rate since 1993 is indicative of positive economic conditions. Many local residents work in neighboring areas such as Chattanooga and Dalton. However, most positions are typically in the lower paying categories, further emphasizing the importance of affordable housing alternatives.

**Table 5.11: Employment Trends (1985 to Present)**

	<i>Catoosa County</i>				<i>State of Georgia</i>	<i>United States</i>
<i>Year</i>	<i>Labor Force</i>	<i>Number Employed</i>	<i>Annual Change</i>	<i>Unemployment Rate</i>	<i>Unemployment Rate</i>	<i>Unemployment Rate</i>
1985	18,720	17,599	17,599	6.0%	6.5%	7.2%
1986	19,424	18,472	873	4.9%	5.9%	7.0%
1987	20,396	19,604	1,132	3.9%	5.5%	6.2%
1988	21,257	20,305	701	4.5%	5.8%	5.5%
1989	21,527	20,542	237	4.6%	5.5%	5.3%
1990	21,351	20,362	(180)	4.6%	5.5%	5.6%
1991	21,545	20,548	186	4.6%	5.0%	6.8%
1992	22,144	20,806	258	6.0%	7.0%	7.5%
1993	23,013	21,945	1,139	4.6%	5.8%	6.9%
1994	23,623	22,599	654	4.3%	5.2%	6.1%
1995	23,821	22,804	205	4.3%	4.9%	5.6%
1996	24,349	23,281	477	4.4%	4.6%	5.4%
1997	25,142	24,146	865	4.0%	4.5%	4.9%
1998	25,936	24,912	766	3.9%	4.2%	4.5%
1999	26,947	26,097	1,185	3.2%	4.0%	4.2%
2000	27,564	26,878	781	2.5%	3.7%	4.0%
2001	27,372	26,673	(205)	2.6%	4.0%	4.8%
Apr. 2002	28,317	27,704	1,031	2.2%	4.2%	5.7%

	<u><i>Number</i></u>	<u><i>Percent</i></u>
Change (1985-1990):	<b>2,763</b>	<b>15.7%</b>
Change (1990-1995):	<b>2,442</b>	<b>12.0%</b>
Change (1995-2000):	<b>4,074</b>	<b>17.9%</b>
Change (1990-Present):	<b>7,342</b>	<b>36.1%</b>

### **Income Trends**

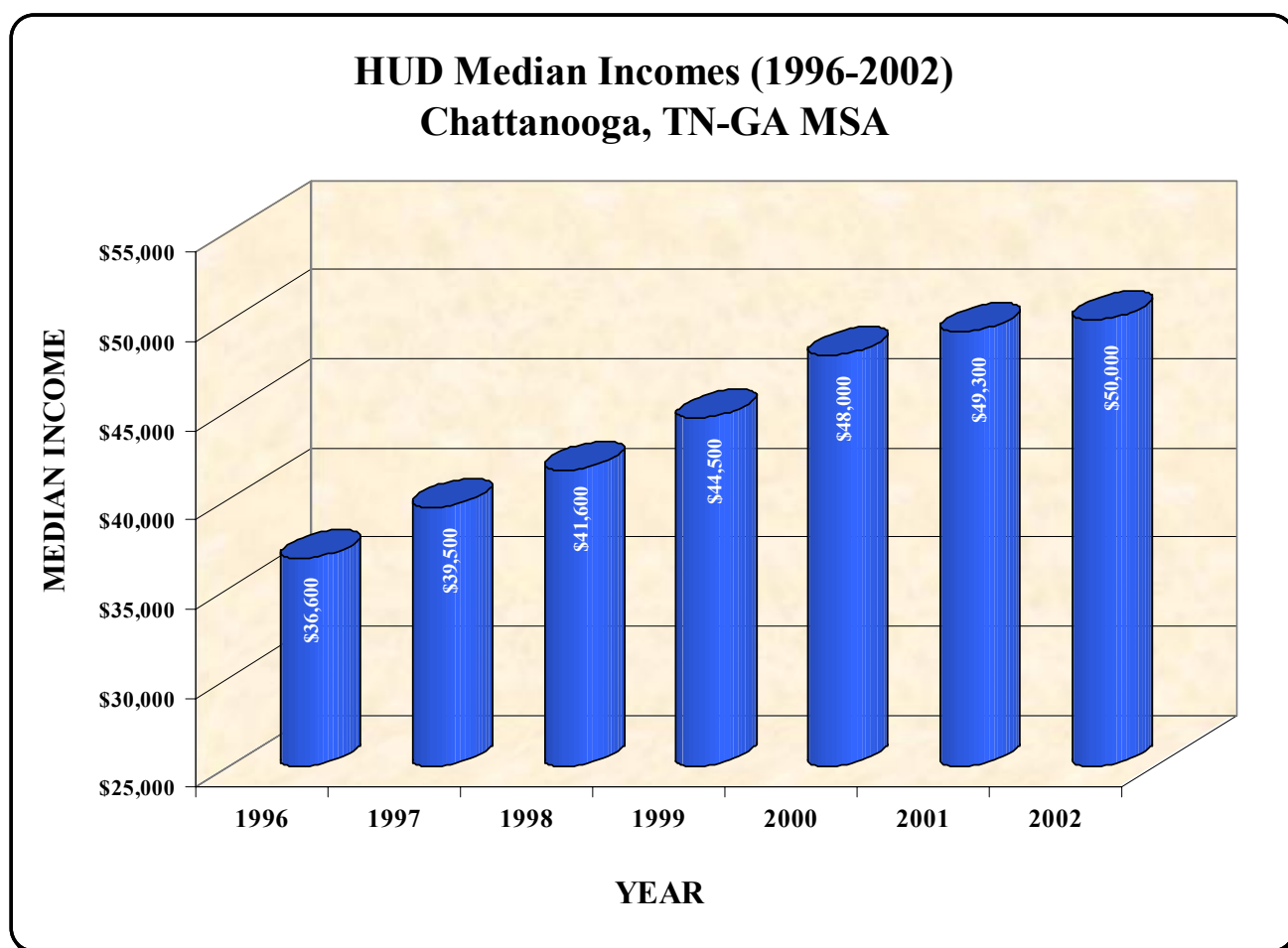
Median household income levels throughout the Ringgold PMA have experienced relatively healthy gains since 1980. The median household income for Ringgold (as reported within 2000 Census Table DP-3) was \$26,834 in 1999, while Catoosa County had a median household income of \$39,998. Although this data is not yet available for census tracts, the PMA had an estimated median income of \$40,909 in 1999, which was 53 percent higher than the city, but just 2 percent greater than the county. This figure represents an increase of 49 percent from 1989, and an average annual increase of 4.0 percent for the decade. In comparison, Ringgold and Catoosa County had average annual increases of 3.8 percent and 4.6 percent during the past decade, respectively. According to Claritas, the rate of income growth is forecast to increase at a similar rate within Ringgold itself, while trends for the PMA and Catoosa County are expected to slow considerably.

**Table 5.12: Median Household Incomes (1979 to 2007)**

	<u><b>City of Ringgold</b></u>	<u><b>PMA</b></u>	<u><b>Catoosa County</b></u>
<b>1979 Median Income</b>	<b>\$14,797</b>	<b>\$16,435</b>	<b>\$16,014</b>
<b>1989 Median Income</b>	<b>\$18,500</b>	<b>\$27,520</b>	<b>\$25,581</b>
Total percent change (1979 to 1989)	25.0%	67.4%	59.7%
Annual percent change (1979 to 1989)	2.3%	5.3%	4.8%
<b>1999 Median Income</b>	<b>\$26,834</b>	<b>\$40,909</b>	<b>\$39,998</b>
Total percent change (1989 to 1999)	45.0%	48.7%	56.4%
Annual percent change (1989 to 1999)	3.8%	4.0%	4.6%
<b>2002 Estimated Median Income</b>	<b>\$30,319</b>	<b>\$42,901</b>	<b>\$40,672</b>
Total percent change (1999 to 2002)	13.0%	4.9%	1.7%
Annual percent change (1999 to 2002)	4.2%	1.6%	0.6%
<b>2004 Estimated Median Income</b>	<b>\$32,643</b>	<b>\$44,229</b>	<b>\$41,121</b>
Total percent change (1999 to 2004)	21.6%	8.1%	2.8%
Annual percent change (1999 to 2004)	4.0%	1.6%	0.6%
<b>2007 Forecast Median Income</b>	<b>\$36,128</b>	<b>\$46,221</b>	<b>\$41,795</b>
Total percent change (1999 to 2007)	34.6%	13.0%	4.5%
Annual percent change (1999 to 2007)	3.8%	1.5%	0.6%
SOURCE: 1980 - 2000 Census of Population and Housing, STF 3A/SF 3, U.S. Census Bureau; Claritas			

Increases in median income for Catoosa County during the latter part of the 1990's, as measured by HUD, are slightly higher when compared to income appreciation between 1990 and 2000 reported within the U.S. Census. According to HUD median income trends, the average annual increase was 5.3 percent for the county between 1996 and 2002, but increased by 4.6 percent annually between 1989 and 1999 according to Census figures. The most recent HUD estimates indicate the county's median income has slowed considerably since 2000, increasing by 2.7 percent between 2000 and 2001, and by 1.4 percent between 2001 and 2002. Considering stable on-going local and regional economic conditions, this income slowdown can be considered temporary and increases in HUD Area Median Income levels are anticipated to continue in the near future.

**Figure Four: HUD Median Income Trends**



**Income-Qualified Population**

The key income range for the tax credit portion of the proposed facility is approximately \$9,500 to \$31,200 (in current dollars), while the targeted income range for the market rate units is \$15,400 to \$50,000. Utilizing the most recent income distribution from the 2000 U.S. Census, the \$10,000 to \$30,000 income range accounts for a sizeable number of low- and moderate-income households throughout the area. Approximately 27 percent of all households within the county fall within the LIHTC income criteria, while 40 percent of Ringgold itself within this range. Considering market rate eligible households, 48 percent of the county and 58 percent of the city have incomes between \$15,000 and \$50,000.

**Table 5.13: Household Income Distribution (1999)**

	<b><u>City of Ringgold</u></b>	<b><u>PMA</u></b>	<b><u>Catoosa County</u></b>
<b>Less than \$10,000</b>	<b>115</b>	<b>NA</b>	<b>1,891</b>
Percent of 1999 Households	11.5%	--	9.2%
<b>\$10,000 to \$14,999</b>	<b>107</b>	<b>NA</b>	<b>1,383</b>
Percent of 1999 Households	10.7%	--	6.8%
<b>\$15,000 to \$24,999</b>	<b>220</b>	<b>NA</b>	<b>2,801</b>
Percent of 1999 Households	22.1%	--	13.7%
<b>\$25,000 to \$34,999</b>	<b>150</b>	<b>NA</b>	<b>2,754</b>
Percent of 1999 Households	15.0%	--	13.5%
<b>\$35,000 to \$49,999</b>	<b>211</b>	<b>NA</b>	<b>4,172</b>
Percent of 1999 Households	21.2%	--	20.4%
<b>\$50,000 to \$74,999</b>	<b>103</b>	<b>NA</b>	<b>4,327</b>
Percent of 1999 Households	10.3%	--	21.2%
<b>\$75,000 to \$99,999</b>	<b>32</b>	<b>NA</b>	<b>1,880</b>
Percent of 1999 Households	3.2%	--	9.2%
<b>More than \$100,000</b>	<b>59</b>	<b>NA</b>	<b>1,237</b>
Percent of 1999 Households	5.9%	--	6.1%
SOURCE: 2000 Census of Population and Housing, U.S. Census Bureau, Summary Table DP-3			



As already mentioned, the key income range for tax credit units at the subject proposal, in current dollars, is roughly \$10,000 to \$30,000. According to Claritas projections, approximately 4,000 income-qualified households are forecast for the PMA in 2007, representing 24 percent of all households. These forecasts provide additional weight to the importance of affordable housing within the area as low and moderate-income households are projected to continue to comprise nearly one out of every four households within the PMA.

**Table 5.14: Future Household Income Distribution (2007)**

	<b><u>City of Ringgold</u></b>	<b><u>PMA</u></b>	<b><u>Catoosa County</u></b>
<b>Less than \$10,000</b>	<b>78</b>	<b>1,072</b>	<b>1,754</b>
Percent of 2007 Households	7.0%	6.4%	7.5%
<b>\$10,000 to \$14,999</b>	<b>95</b>	<b>837</b>	<b>1,373</b>
Percent of 2007 Households	8.6%	5.0%	5.8%
<b>\$15,000 to \$19,999</b>	<b>106</b>	<b>937</b>	<b>1,576</b>
Percent of 2007 Households	9.6%	5.6%	6.7%
<b>\$20,000 to \$24,999</b>	<b>86</b>	<b>1,138</b>	<b>1,830</b>
Percent of 2007 Households	7.8%	6.8%	7.8%
<b>\$25,000 to \$29,999</b>	<b>105</b>	<b>1,078</b>	<b>1,665</b>
Percent of 2007 Households	9.5%	6.4%	7.1%
<b>\$30,000 to \$34,999</b>	<b>81</b>	<b>1,239</b>	<b>1,726</b>
Percent of 2007 Households	7.3%	7.4%	7.3%
<b>\$35,000 to \$49,999</b>	<b>238</b>	<b>2,809</b>	<b>4,050</b>
Percent of 2007 Households	21.6%	16.8%	17.2%
<b>\$50,000 or More</b>	<b>316</b>	<b>7,613</b>	<b>9,527</b>
Percent of 2007 Households	28.6%	45.5%	40.5%
SOURCE: Claritas, Inc.			

Furthermore, it is important to note that this percentage of income-qualified households could greatly increase if households wished to pay a higher than expected percentage of household income for housing (35 percent or more). Based on the data provided on household incomes, it is clear that sufficient depth is present within this income segment for the normal absorption of the proposed rental facility within the Ringgold rental market.

## **Section 6: DEMAND ANALYSIS**

### **Demand for Tax Credit Rental Units**

Overall population and household projections are illustrated in the following table, along with demand forecasts for the subject proposal across all applicable income bands and bedroom types. Demand estimates are measured from three key sources: household growth, existing renter households, and substandard housing. Households that are rent-overburdened have been omitted from the following demand forecasts to reduce double counting as well as to keep a conservative focus.

All demand sources will be income-qualified, based on the targeting plan of the subject proposal and current LIHTC income restrictions, as published by the Georgia DCA. For the subject proposal, demand calculations will be based on the starting LIHTC rental rate, a 35 percent rent-to-income ratio, and an income ceiling of \$31,200 (the 4.5-person income limit at 60 percent AMI for Catoosa County). As a result, the LIHTC income-eligibility range is \$9,500 to \$31,200, while the estimated income-eligibility range for the market rate portion of the proposal is \$15,400 to \$50,000.

By applying the qualified income range, overall 2000 household distribution, and household forecasts to the recently released U.S. Census data, the number of income-qualified households can be calculated. Based on U.S. Census data and projections from Claritas, a total of 296 new renter households are estimated between 2000 and 2004. By applying the income-qualified percentage (29 percent within the PMA) to this figure, a total demand of 87 LIHTC units can be calculated as a result of new rental household growth.

The second source of demand is existing renter households in 2000. Based on a total of 2,580 rental households reported within the PMA (which equals nearly 19 percent of all households), and applying the appropriate income-qualified percentage, a total demand of 756 units has been determined from existing renter households.

And lastly, utilizing Census data on substandard rental housing, it is estimated that approximately 6 percent of all renter households within the Ringgold PMA could be considered substandard, either by virtue of overcrowding (a greater than 1-to-1 ratio of persons to rooms) or incomplete plumbing facilities (a unit that lacks at least a sink, bathtub, or toilet). Applying this percentage, along with the renter percentage and income-qualified percentage, to the number of households currently present in 2000 (the base year utilized within the demand calculations), the total demand resulting from substandard units is calculated at 44 within the PMA.

Combining all sources yields a total demand of 958 additional units for the subject proposal. Calculations for market rate units, by individual income group, and by bedroom type are also provided using the same methodology. However, because obvious overlap exists among these income ranges and bedroom sizes, the most accurate measurement of *total* LIHTC demand is the overall figure.

No comparable LIHTC rental projects have entered the market or have received funding within the Ringgold PMA since 1999. Therefore, no units need to be deducted from the demand factors listed previously.

It is worth noting at this time that these demand calculations do not consider that the construction of a new rental facility typically generates interest above movership ratios typically observed. In this case, a new rental housing option for low and moderate-income households should receive a positive response due to high occupancy levels within existing rental options, the limited number of three-bedroom units locally, and its spacious unit sizes. The demand forecasts represent the minimum demand potential for the proposed facility. Other demand-related considerations include ongoing positive economic conditions within Catoosa County, which would have an obvious impact on the demand for rental housing.

**Table 6.1: Demand Calculation – by AMI (2004)**

<b>2000 Total Occupied Households</b>	<b>13,929</b>				
<b>2000 Owner-Occupied Households</b>	<b>11,349</b>				
<b>2000 Renter-Occupied Households</b>	<b>2,580</b>				
		<b><u>30%</u></b>	<b><u>50%</u></b>	<b><u>60%</u></b>	<b><u>Total</u></b>
		<b><u>AMI</u></b>	<b><u>AMI</u></b>	<b><u>AMI</u></b>	<b><u>LIHTC</u></b>
<b>DEMAND FROM NEW HOUSEHOLD GROWTH</b>					
Renter Household Growth, 2000-2004	296	296	296	296	296
Percent Income Qualified Renter Households	5.2%	15.2%	22.2%	29.3%	47.0%
<b>Total Demand From New Households</b>	<b>15</b>	<b>45</b>	<b>66</b>	<b>87</b>	<b>139</b>
<b>DEMAND FROM EXISTING RENTER HOUSEHOLDS-2000</b>					
Percent Renter Households in 2000	18.5%	18.5%	18.5%	18.5%	18.5%
Percent Income Qualified Renter Households	5.2%	15.2%	22.2%	29.3%	47.0%
<b>Total Demand From Existing Renter Households</b>	<b>135</b>	<b>392</b>	<b>573</b>	<b>756</b>	<b>1,213</b>
Percent Renters in Substandard Housing	5.9%	5.9%	5.9%	5.9%	5.9%
Percent Income Qualified Renter Households	5.2%	15.2%	22.2%	29.3%	47.0%
<b>Total Demand From Substandard Renter Households</b>	<b>8</b>	<b>23</b>	<b>34</b>	<b>44</b>	<b>71</b>
<b>Total Demand From Existing Renter Households</b>	<b>143</b>	<b>415</b>	<b>607</b>	<b>801</b>	<b>1,284</b>
<b>TOTAL DEMAND</b>	<b>158</b>	<b>460</b>	<b>672</b>	<b>887</b>	<b>1,424</b>
<b>LESS: Total Comparable Units Constructed Since 1999</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>LESS: Total Comparable Units Proposed/Under Construction</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL NET DEMAND</b>	<b>158</b>	<b>460</b>	<b>672</b>	<b>887</b>	<b>1,424</b>
<b>PROPOSED NUMBER OF UNITS</b>	<b>5</b>	<b>40</b>	<b>25</b>	<b>70</b>	<b>18</b>
<b>CAPTURE RATE</b>	<b>3.2%</b>	<b>8.7%</b>	<b>3.7%</b>	<b>7.9%</b>	<b>1.3%</b>

Note: Totals may not sum due to rounding

SOURCE: 1990/2000 U.S. Census of Population and Housing, U.S. Census Bureau; Claritas

**Table 6.2: Demand Calculation – by Bedroom (2004)**

<b>2000 Total Occupied Households</b>	<b>13,929</b>				
<b>2000 Owner-Occupied Households</b>	<b>11,349</b>				
<b>2000 Renter-Occupied Households</b>	<b>2,580</b>				
		<b><u>1BR</u></b>	<b><u>2BR</u></b>	<b><u>3BR</u></b>	<b><u>Total</u></b>
		<b><u>Units</u></b>	<b><u>Units</u></b>	<b><u>Units</u></b>	<b><u>LIHTC</u></b>
<b>DEMAND FROM NEW HOUSEHOLD GROWTH</b>					
Renter Household Growth, 2000-2004	296	296	296	296	296
Percent Income Qualified Renter Households	23.7%	26.9%	17.5%	29.3%	29.3%
<b>Total Demand From New Households</b>	<b>70</b>	<b>80</b>	<b>52</b>	<b>87</b>	
<b>DEMAND FROM EXISTING RENTER HOUSEHOLDS-2000</b>					
Percent Renter Households in 2000	18.5%	18.5%	18.5%	18.5%	18.5%
Percent Income Qualified Renter Households	23.7%	26.9%	17.5%	29.3%	29.3%
<b>Total Demand From Existing Renter Households</b>	<b>610</b>	<b>694</b>	<b>451</b>	<b>756</b>	
Percent of Renters in Substandard Housing	5.9%	5.9%	5.9%	5.9%	5.9%
Percent Income Qualified Renter Households	23.7%	26.9%	17.5%	29.3%	29.3%
<b>Total Demand From Substandard Renter Households</b>	<b>36</b>	<b>41</b>	<b>26</b>	<b>44</b>	
<b>Total Demand From Existing Households</b>	<b>646</b>	<b>735</b>	<b>478</b>	<b>801</b>	
<b>TOTAL DEMAND</b>	<b>716</b>	<b>814</b>	<b>529</b>	<b>887</b>	
<b>LESS: Total Comparable Units Constructed Since 1999</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>LESS: Total Comparable Units Proposed/Under Construction</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>TOTAL NET DEMAND</b>	<b>716</b>	<b>814</b>	<b>529</b>	<b>887</b>	
<b>PROPOSED NUMBER OF UNITS</b>	<b>16</b>	<b>38</b>	<b>16</b>	<b>70</b>	
<b>CAPTURE RATE</b>	<b>2.2%</b>	<b>4.7%</b>	<b>3.0%</b>	<b>7.9%</b>	
Note: Totals may not sum due to rounding					
SOURCE: 1990/2000 U.S. Census of Population and Housing, U.S. Census Bureau; Claritas					

**Capture and Absorption Rates**

From the LIHTC demand calculations, capture rates provide an indication of the percentage of annual income-qualified demand necessary for the subject property. Lower capture rates indicate generally deeper markets, thus reducing risk and hastening potential absorption periods.

An overall capture rate of 7.9 percent was determined based on the demand calculation (including renter household growth, existing renter households, substandard units, and excluding any comparable rental activity since 1999), providing an indication of the subject proposal's market depth within the Ringgold PMA. Considering the location of the subject property, as well as the overall high occupancy rates within existing rental properties throughout the area, the capture rate provides a realistic indication of the subject's marketability, and should be considered as a positive factor.

Taking into consideration the high overall occupancy rates throughout the Ringgold PMA, exceptionally strong economic and demographic conditions, the modern amenities and spacious units sizes within the proposal, as well as the limited number three-bedroom units locally, an estimate of the overall absorption rate can be conservatively calculated at approximately ten to twelve units per month, on average. The resulting absorption period to reach 93 percent occupancy is seven to nine months. This estimate is based on an approximate market entry no earlier than late 2003; pre-leasing activity resulting in a minimum of 20 percent pre-leasing of the project; and assumes all units will enter the market at approximately the same time.

Evidence presented within the market study suggests a normal lease-up period should be anticipated based on project characteristics as proposed. The generally positive economic conditions within the Ringgold area and the overall strength of the local rental market provided the most positive indications on the need for additional rental alternatives within the Ringgold area.

## **Section 7: SUPPLY ANALYSIS**

### **Ringgold Rental Market Characteristics**

A survey of existing rental projects within the Ringgold PMA was completed by Community Research Group in May/June 2002. Excluding senior-only developments, a total of 9 rental developments within the area were contacted and questioned for information such as current rental rates, amenities, and vacancy levels. General survey results for the overall rental market are described below and are presented on the following pages, providing an indication of overall market conditions throughout the area.

Of the developments contacted, a total of 391 units were reviewed. Among those rental facilities providing unit mix information during the survey, 29 percent were one-bedroom units, 39 percent were two-bedroom units, 16 percent consisted of three-bedroom units, and the remaining 16 percent were four-bedroom units. The average year of construction for the facilities was 1988 – averaging roughly 13 years old, and reflective of the number of rental developments constructed over the last decade. As such, five of the developments contacted have been constructed since 1990, and the remaining four were development in 1985 or earlier.

Of the developments contacted, just three (33 percent of all rental developments) reported to contain some kind of income restrictions. Of these, one was a tax credit project (Oglethorpe Ridge in Fort Oglethorpe) and two were developed under the RHS 515 program.

Despite the relatively large number of rental units developed over the past decade (149 units in 5 developments – representing nearly ½ of all rental units within the PMA), occupancy levels discovered during the survey indicate a relatively strong rental market exists within the Ringgold area. Six of the nine developments reported an occupancy rate of 100 percent, while eight were at 94 percent or better. An overall occupancy rate of 97 percent was calculated. These occupancy levels are extremely high, and are clearly representative of positive rental market conditions throughout the immediate area.

Detailed survey results are illustrated in tables on the following pages. Overall, the average rent for a one-bedroom unit was calculated at \$328 per month with an average size of 700 square feet – the resulting average rent per square foot ratio is \$0.47. The average rent for a two-bedroom unit was \$445 with an average size of 889 square feet (an average rent per square foot ratio of \$0.50). Among the limited developments with three-bedrooms in its unit mix (there were two), the average rental rate was \$481, with an average size of 1,075 square feet (\$0.45 per square foot). Oglethorpe Ridge had the only four-bedroom units within the market, with a 1,306 square foot unit for \$635 (\$0.49 per square foot).

The most common amenities found within the market include mini-blinds (100 percent), central air conditioning (100 percent), walk-in closet (78 percent), patio/balcony (78 percent), laundry hook-ups (78 percent), and dishwashers (67 percent). Additional amenities that will be contained within the subject that are not as prevalent throughout the market will clearly aid in the marketability of the proposed facility, which will also include a club house (contained in just 11 percent of local developments), coin-operation laundry room (11 percent), children's playground (33 percent), exercise/fitness center (0 percent), garbage disposal (0 percent), and equipped library (0 percent).

The subject's rent per square foot ratios of \$0.26 to \$0.49 for a one-bedroom unit, \$0.24 to \$0.47 for a two-bedroom unit, and \$0.44 to \$0.47 for a three-bedroom unit are competitive with other local developments, and much lower than those calculated for the area's only tax credit development – clearly demonstrating the affordability of the proposal. Coupled with the amenity package and spacious unit sizes to be offered (the subject will have the largest units for each unit type), the proposal's value is even more apparent.

As previously mentioned, only one tax credit rental property currently exists within the Ringgold area. Although this facility is located just outside of the defined market area, it is important to include it in our analysis to provide insight as to the potential success of additional affordable alternatives. **Oglethorpe Ridge Apartments** a 97-unit family LIHTC development located in Fort Oglethorpe, approximately 8 miles west of the subject. Constructed in 1997, the unit mix is somewhat unusual: 5 one-bedroom units, 44 three-bedroom units, and 48 four-bedroom units. The facility has rents above those of the subject proposal (even the market rate



units) and unit sizes are smaller (albeit slightly) in comparison. Unit amenities include dishwasher, mini-blinds, walk-in closet, patio/balcony, exterior storage, central air conditioning, and in-unit laundry hook-ups. Development amenities are clubhouse, swimming pool, children's playground, and a basketball court. According to the leasing manager, the project typically is between 95 and 98 percent occupied, as is 95 percent at the current time. The facility is in good or better condition, and most of the vacancies are within the three-bedroom units. Although ½ of the development are four-bedroom units, they have always been in demand due to the limited number of four-bedroom rental units available within the greater Chattanooga region.

Four rental properties are found within ½ mile of the subject property along Boynton Drive. The nearest of these is **Rosewood Apartments I**, a RHS 515 development in good condition that features a combination of apartments and townhomes. Next is **Boynton Townhomes**, a 25-unit conventional property constructed in 1998 – making it one of the newest rental properties in Ringgold. The facility was constructed on a down slope, and is in good condition with fair landscaping. Just past Boynton TH's is **Rosewood Apartments II**, representing the second phase to bring the total to 85-units between the two phases. Construction is similar to phase I and is in good condition. And lastly, **Oak Ridge Apartments** is a 40-unit development constructed in 1980. The project has signs of wear and tear, and landscaping is fair at best. Combining these nearby facilities results in an overall occupancy rate of 98 percent, demonstrating the attractiveness of the area for residents. The only openings were within Boynton Townhomes (88 percent occupied – 3 vacancies). However, these are likely temporary as the facility has just been sold to a new owner who is in the process of getting the vacant units ready for occupancy.

Per Ringgold and Catoosa County planning officials, no comparable larger multi-family activity is present within the market area at this time. The only multi-activity present locally consists of a small six-unit project which has recently begun construction. Because this project will offer much fewer development amenities, it will have minimal no effect on the absorption of the subject property.

It should also be mentioned that substantial market rate rental development has occurred in recent years just west of the PMA in Fort Oglethorpe. A number of these are still under construction, including Fountain Brook and Fort Town Place. While the overall market within Fort Oglethorpe still maintains an occupancy rate over 96 percent, it appears that the older developments are finding it increasingly difficult to compete. However, demographic projections expect continued growth for the region, so housing development will undoubtedly continue.

From a market standpoint, it is evident that ample demand is present for additional rental units within the Ringgold PMA targeted for single and family households. In light of an occupancy rate calculated at 97 percent for the overall market, additional affordable and market rate units should be absorbed into the local rental market within a normal period of time with no long-term adverse effects on existing local rental facilities. Also considering that 44 of the 50 three-bedroom units surveyed during the course of this report is within Oglethorpe Ridge and outside of the defined PMA, the subject proposal's unit mix (consisting of 20 three-bedroom units) should prove beneficial during lease-up.

Please note that information on Knollwood Village could not be obtained after repeated attempts, and is therefore not included within the analysis.

**Table 7.1: Rental Housing Survey**

<b>Project</b>	<b>Year</b>	<b>Total Units</b>	<b>Eff</b>	<b>1BR</b>	<b>2BR</b>	<b>3BR</b>	<b>4BR</b>	<b>Heat Included</b>	<b>Source</b>	<b>Electric Included</b>	<b>Overall % Occupancy</b>
BOYNTON TOWNHOUSES	1998	25	0	0	25	0	0	No	ELE	No	88%
GEORGIAN COURTS	1993	8	0	0	8	0	0	No	GAS	No	100%
MEADOWVIEW	1999	8	0	0	8	0	0	No	ELE	No	100%
NICOLE VILLA	1981	20	0	16	4	0	0	No	ELE	No	100%
OAK RIDGE APARTMENTS	1980	40	0	8	26	6	0	No	ELE	No	100%
OGLETHORPE RIDGE APT	1977	97	0	5	0	44	48	No	GAS	No	95%
ROSEWOOD APARTMENTS	1985	85	0	0	0	0	0	No	ELE	No	100%
SPRING HILL APT	1990	84	0	60	24	0	0	No	NA	No	96%
TOWN VILLA	1992	24	0	0	24	0	0	No	ELE	No	100%
<b>Totals &amp; Averages</b>	<b>1988</b>	<b>391</b>	<b>0</b>	<b>89</b>	<b>119</b>	<b>50</b>	<b>48</b>				<b>97.0%</b>
<b>Subject Project</b>											
BEDFORD PLACE	2004	88	0	20	48	20	0	No	ELE	No	

**Table 7.2: Rent Range for 1 & 2 Bedrooms**

<b>Project</b>	<b>Subsidized</b>	<b>1 BR Rent</b>	<b>1 BR SQ. FT</b>	<b>1 BR Rent/SQ. FT</b>	<b>2 BR Rent</b>	<b>2 BR SQ. FT</b>	<b>2 BR Rent/SQ. FT</b>
BOYNTON TOWNHOUSES	No				\$510	900	\$0.57
GEORGIAN COURTS	No				\$500		
MEADOWVIEW	No				\$550	1000	\$0.55
NICOLE VILLA	No	\$330			\$420		
OAK RIDGE APARTMENTS	Yes	\$307	780	\$0.39	\$327	900	\$0.36
OGLETHORPE RIDGE APT	No	\$395	720	\$0.55			
ROSEWOOD APARTMENTS	Yes	\$250			\$285		
SPRING HILL APT	No	\$360	600	\$0.60	\$490	915	\$0.54
TOWN VILLA	No				\$475	728	\$0.65
<b>Totals &amp; Averages</b>							
		<b>\$328</b>	<b>700</b>	<b>\$0.47</b>	<b>\$445</b>	<b>889</b>	<b>\$0.50</b>
<b>Subject Project</b>							
BEDFORD PLACE	No	\$207	783	\$0.26	\$241	1025	\$0.24

**Table 7.3: Rent Range for 3 & 4 Bedrooms**

<b>Project</b>	<b>Program</b>	<b>3 BR Rent</b>	<b>3 BR SQ. FT</b>	<b>3 BR Rent/SQ. FT</b>	<b>4 BR</b>	<b>4 BR SQ. FT</b>	<b>4 BR Rent/SQ. FT</b>
BOYNTON TOWNHOUSES							
GEORGIAN COURTS							
MEADOWVIEW							
NICOLE VILLA							
OAK RIDGE APARTMENTS	RHS 515	\$352	1000	\$0.35			
OGLETHORPE RIDGE APT	LIHTC	\$610	1150	\$0.53	\$635	1306	\$0.49
ROSEWOOD APARTMENTS	RHS 515						
SPRING HILL APT							
TOWN VILLA							
<b>Totals &amp; Averages</b>		<b>\$481</b>	<b>1,075</b>	<b>\$0.45</b>			
<b>Subject Project</b>							
BEDFORD PLACE	LIHTC	\$523	1180	\$0.44	\$0.47		

**Table 7.4: Project Amenities**

	Central Air	Club House	Coin Op Laundry	Dish Washer	Exercise Room	Garbage Disposal	Laundry Hookup	Library	Mini Blinds	Patio/ Balcony	Play ground	Walk-in Closet
BOYNTON TOWNHOUSES	Yes	No	No	Yes	No	No	Yes	No	Yes	Yes	No	Yes
GEORGIAN COURTS	Yes	No	No	Yes	No	No	No	No	Yes	No	No	Yes
MEADOWVIEW	Yes	No	No	Yes	No	No	Yes	No	Yes	Yes	No	Yes
NICOLE VILLA	Yes	No	Yes	Yes	No	No	No	No	Yes	Yes	No	No
OAK RIDGE APARTMENTS	Yes	No	No	No	No	No	Yes	No	Yes	Yes	Yes	Yes
OGLETHORPE RIDGE APT	Yes	Yes	No	Yes	No	No	Yes	No	Yes	Yes	Yes	Yes
ROSEWOOD APARTMENTS	Yes	No	No	No	No	No	Yes	No	Yes	Yes	Yes	No
SPRING HILL APT	Yes	No	No	No	No	No	Yes	No	Yes	No	No	Yes
TOWN VILLA	Yes	No	No	Yes	No	No	Yes	No	Yes	Yes	No	Yes
<b>Totals &amp; Averages</b>	<b>100%</b>	<b>11%</b>	<b>11%</b>	<b>67%</b>	<b>0%</b>	<b>0%</b>	<b>78%</b>	<b>0%</b>	<b>100%</b>	<b>78%</b>	<b>33%</b>	<b>78%</b>
<b>Subject Project</b>												
BEDFORD PLACE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No

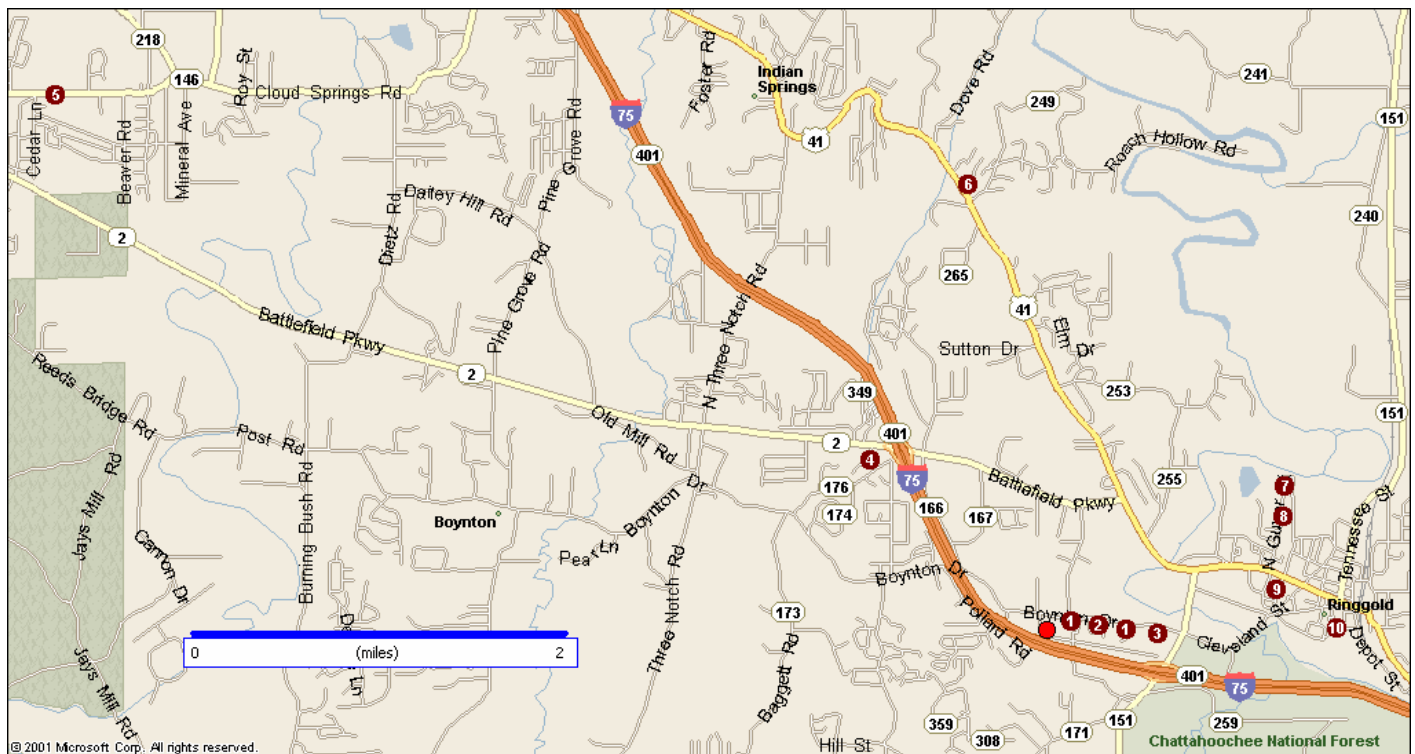
**Table 7.5: Additional Comparable Information**

<b>Project</b>	<b>Phone</b>	<b>Contact</b>	<b>Condition</b>	<b>Turnover</b>	<b>Subsidy</b>	<b>Concessions</b>	<b>Other</b>
BOYNTON TOWNHOUSES	706-695-7784	Chuck	Good	NA	None	None	New owner
GEORGIAN COURT	706-937-4849	June	Good	Low	None	None	Colored cement block exterior
MEADOWVIEW	706-965-8363	Lisa	Excellent	Low	None	None	No move-outs in over a year
NICOLE VILLA	423-421-0498	Marty	Fair	Low	None	None	No waiting list
OAK RIDGE APARTMENTS	706-965-2310	Robert	Fair	High	10 units	None	Average 2-3 move-outs per month
OGLETHORPE RIDGE APTS	706-858-3880	Carol	Excellent	High	None	None	4-bedroom units are most popular
ROSEWOOD APARTMENTS	706-935-9263	Jerry	Good	Low	9 units	None	6 to 9 month waiting list
SPRING HILL APTS	423-593-4360	Jonathon	Good	Moderate	None	None	Not cooperative
TOWN VILLA	706-937-5975	Hoyt	Good	Low	None	None	Up to 10 inquiry calls per week

**Comparable/nearby Rental Projects – Ringgold PMA**

Following are individual descriptions of six rental developments within the Ringgold area most comparable by income targeting or proximity to the subject property. Information on these developments provides a more realistic indication of the market conditions facing the development of the proposed Bedford Place.

**Map: Rental Developments**  
***Ringgold PMA***



- |                        |                             |                         |
|------------------------|-----------------------------|-------------------------|
| 1. Rosewood Apts – RHS | 2. Boynton Townhomes        | 3. Oak Ridge Apts – RHS |
| 4. Knollwood Village   | 5. Oglethorpe Ridge – LIHTC | 6. Nicole Villa         |
| 7. Meadowview Apts     | 8. Spring Hill Apts         | 9. Georgian Courts      |
| 10. Town Villa Apts    |                             |                         |





Project Name: **OGLETHORPE RIDGE**

Address: 1252 Cloud Springs Road

Phone: (706) 858-3880

Year Built: 1997

City: Ft. Oglethorpe State: GA

Zip: 30736

<i>Unit Type</i>	<i># of Units</i>	<i># Vacant</i>	<i>Square Feet</i>	<i>Rental Rate</i>	<i>Occupancy %</i>
1BR	5	0	720	\$395	100%
2BR	0	--	---	---	---
3BR	44	4	1,150	\$610	91%
4BR	48	1	1,306	\$635	98%
Total	97	5			95%

<i>Appliances</i>		<i>Project</i>		<i>Unit</i>		<i>Other Information</i>	
Refrigerator/Stove	X	Coin Op Laundry		Draperies		Heat Included	No
Garbage Disposal		Clubhouse	X	Mini-blinds	X	Electricity Included	No
Dishwasher	X	Swimming Pool	X	Walk-in Closet	X	Heat Type	GAS
Microwave		Playground	X	Fireplace			
Laundry Hook-up	X	Tennis Court		Patio/Balcony	X	# of Floors	2/3
In-Unit Laundry		Basketball Court	X	Central Air	X		
		Carport		Wall AC Unit		Percent Senior	NA
		Garage		Storage	X	Subsidized	LIHTC
		Elevator		Individual Entry	X		



Project Name: **BOYNTON TOWNHOMES**

Year Built: 1998

Address: Boynton Drive

City: Ringgold

State: GA

Phone: (706) 695-7784

Zip: 30736

<i>Unit Type</i>	<i># of Units</i>	<i># Vacant</i>	<i>Square Feet</i>	<i>Rental Rate</i>	<i>Occupancy %</i>
1BR	0	--	---	---	---
2BR	25	3	900	\$510	88%
3BR	0	--	---	---	---
Total	25	3			88%

<i>Appliances</i>		<i>Project</i>	<i>Unit</i>	<i>Other Information</i>
Refrigerator/Stove	X	Coin Op Laundry	Draperies	Heat Included No
Garbage Disposal		Clubhouse	Mini-blinds	X Electricity Included No
Dishwasher	X	Swimming Pool	Walk-in Closet	X Heat Type ELE
Microwave		Playground	Fireplace	
Laundry Hook-up	X	Tennis Court	Patio/Balcony	X # of Floors 2
In-Unit Laundry		Basketball Court	Central Air	X
		Carport	Wall AC Unit	Percent Senior NA
		Garage	Storage	Subsidized None
		Elevator	Individual Entry	X



Project Name: **MEADOWVIEW APTS**

Address: 4640 Guyler Street

Phone: (706) 965-8363

Year Built: 1999

City: Ringgold

State: GA

Zip: 30736

<i>Unit Type</i>	<i># of Units</i>	<i># Vacant</i>	<i>Square Feet</i>	<i>Rental Rate</i>	<i>Occupancy %</i>
1BR	0	--	---	---	---
2BR	8	0	1,000	\$550	100%
3BR	0	--	---	---	---
Total	8	0			100%

<i>Appliances</i>		<i>Project</i>	<i>Unit</i>	<i>Other Information</i>
Refrigerator/Stove	X	Coin Op Laundry	Draperies	Heat Included No
Garbage Disposal		Clubhouse	Mini-blinds	X Electricity Included No
Dishwasher	X	Swimming Pool	Walk-in Closet	X Heat Type ELE
Microwave		Playground	Fireplace	
Laundry Hook-up	X	Tennis Court	Patio/Balcony	X # of Floors 2
In-Unit Laundry		Basketball Court	Central Air	X
		Carport	Wall AC Unit	Percent Senior NA
		Garage	Storage	Subsidized None
		Elevator	Individual Entry	X



Project Name: **OAK RIDGE APTS**  
 Address: 25 Hummingbird Lane  
 Phone: (706) 965-2310

Year Built: 1980  
 City: Ringgold State: GA  
 Zip: 30736

<i>Unit Type</i>	<i># of Units</i>	<i># Vacant</i>	<i>Square Feet</i>	<i>Rental Rate*</i>	<i>Occupancy %</i>
1BR	8	0	780	\$307-\$464	100%
2BR	26	0	900	\$327-\$522	100%
3BR	6	0	1,000	\$352-\$555	100%
Total	40	0			100%

<i>Appliances</i>		<i>Project</i>	<i>Unit</i>	<i>Other Information</i>
Refrigerator/Stove	X	Coin Op Laundry	Draperies	Heat Included No
Garbage Disposal		Clubhouse	Mini-blinds	X Electricity Included No
Dishwasher		Swimming Pool	Walk-in Closet	X Heat Type ELE
Microwave		Playground	Fireplace	
Laundry Hook-up	X	Tennis Court	Patio/Balcony	X # of Floors 2
In-Unit Laundry		Basketball Court	Central Air	X
		Carport	Wall AC Unit	Percent Senior NA
		Garage	Storage	X Subsidized RHS 515 (10 RA)
		Elevator	Individual Entry	X

\*NOTE: Rental rates are basic/market





Project Name: **ROSEWOOD APTS I & II**  
 Address: 31 Rosewood Lane  
 Phone: (706) 935-9263

Year Built: 1985  
 City: Ringgold State: GA  
 Zip: 30736

<i>Unit Type</i>	<i># of Units</i>	<i># Vacant</i>	<i>Square Feet</i>	<i>Rental Rate*</i>	<i>Occupancy %</i>
1BR	NA	0	NA	\$250-\$388	100%
2BR	NA	0	NA	\$285-\$458	100%
3BR	0	--	---	---	---
Total	85	0			100%

<i>Appliances</i>		<i>Project</i>	<i>Unit</i>	<i>Other Information</i>
Refrigerator/Stove	X	Coin Op Laundry	Draperies	Heat Included No
Garbage Disposal		Clubhouse	Mini-blinds	X Electricity Included No
Dishwasher		Swimming Pool	Walk-in Closet	Heat Type ELE
Microwave		Playground	Fireplace	
Laundry Hook-up	X	Tennis Court	Patio/Balcony	X # of Floors 1/2
In-Unit Laundry		Basketball Court	Central Air	X
		Carport	Wall AC Unit	Percent Senior NA
		Garage	Storage	Subsidized RHS 515 (9 RA)
		Elevator	Individual Entry	X

\*NOTE: Rental rates are basic/market



Project Name: **SPRING HILL APTS**  
 Address: Guyler Street  
 Phone: (706) 593-4360

Year Built: 1990  
 City: Ringgold State: GA  
 Zip: 30736

<i>Unit Type</i>	<i># of Units</i>	<i># Vacant</i>	<i>Square Feet</i>	<i>Rental Rate</i>	<i>Occupancy %</i>
1BR	60	3	600	\$360	95%
2BR	24	0	915	\$490	100%
3BR	0	--	---	---	---
Total	85	3			96%

<i>Appliances*</i>		<i>Project*</i>	<i>Unit*</i>	<i>Other Information*</i>
Refrigerator/Stove	X	Coin Op Laundry	Draperies	Heat Included No
Garbage Disposal		Clubhouse	Mini-blinds	X Electricity Included No
Dishwasher		Swimming Pool	Walk-in Closet	X Heat Type NA
Microwave		Playground	Fireplace	
Laundry Hook-up	X	Tennis Court	Patio/Balcony	# of Floors
In-Unit Laundry		Basketball Court	Central Air	X
		Carport	Wall AC Unit	Percent Senior NA
		Garage	Storage	Subsidized None
		Elevator	Individual Entry	

\*NOTE: Information may not be complete – manager would not cooperate.

## **Section 8: INTERVIEWS**

Throughout the course of performing this analysis of the Ringgold rental market, many individuals were contacted. Based on discussions with city and county planning officials, no comparable multi-family rental considerations (other than the subject) are present. The only multi-family activity is a small six-unit complex which has just started construction.

In addition, resident managers at local rental projects indicate that additional rental options are in demand within the immediate Ringgold area and that advertising is not typically required. In addition, most mentioned that “the most pressing need at the present time is for affordable senior housing”, while a few noted that “Ringgold could use more low-income housing”.

According to county officials, a couple of small companies are in process, or have announced plans, to expanding production capabilities. Furthermore, no formal closures or layoffs have been announced recently.

Additional informal interviews with leasing agents and resident managers within the Ringgold rental market were performed as part of Community Research Group’s survey of existing rental housing to collect more specific data. The results of these are compiled and presented within a previous section of the market study.

## **Section 9: CONCLUSIONS AND RECOMMENDATIONS**

Based on the information collected within this study, sufficient evidence has been introduced for the successful development and absorption of an additional open LIHTC/market rate rental facility within the Ringgold PMA. Ongoing positive economic trends, strong demographic patterns, extremely positive occupancy levels, and a strong statistical demand all support the development of the subject proposal as a combination tax credit/market rate rental facility targeted for households with low and moderate incomes. Assuming the subject proposal is developed as described within this analysis, Community Research Group can provide a positive recommendation for the facility with no reservations or conditions. As such, CRG forwards a **FULL PASS** conclusion.



## **Section 10: SIGNED STATEMENT REQUIREMENTS**

I affirm that I, or an individual employed by my company, have made a physical inspection of the market area and that information has been used in the full study of the need and demand for new rental units. To the best of my knowledge, the market can support the demand shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent upon this project being funded.



---

Steven R. Shaw  
**COMMUNITY RESEARCH GROUP, LLC**

Date: June 17, 2002

## **Section 11: BIBLIOGRAPHY**

1980 U.S. Census, General Housing Characteristics, U.S. Census Bureau

1980 U.S. Census, Detailed Housing Characteristics, U.S. Census Bureau

1980 U.S. Census of Population and Housing, STF 1A, U.S. Census Bureau

1990 U.S. Census of Population and Housing, STF 1A, U.S. Census Bureau

1990 U.S. Census of Population and Housing, STF 3A, U.S. Census Bureau

1990 U.S. Census of Population and Housing, STF 4, U.S. Census Bureau

2000 U.S. Census of Population and Housing, SF1, U.S. Census Bureau

Table DP-1 to DP-4: Profile of General Demographic Characteristics: 2000, City of Ringgold and Catoosa County – U.S. Census Bureau, Census 2000

1995-1999 American Housing Survey, U.S. Census Bureau and U.S. Department of Housing and Urban Development

2002/2007 Demographic Forecasts, Claritas Inc., Ithaca, NY

Thematic maps through ESRI ArcView, Version 3.2a

Local roadway maps through Microsoft Streets and Trips 2002

Area Labor Statistics, 1985 – Present, U.S. Bureau of Labor Statistics and Georgia Department of Labor

Catoosa County Area Labor Profile – Georgia Department of Labor

Local economic and housing information – Ringgold Area Chamber of Commerce

Interviews with managers and leasing specialists, local rental developments

Interviews with city and county planning officials

## **Section 12: RESUME**

### **STEVEN R. SHAW COMMUNITY RESEARCH GROUP, LLC**

Mr. Shaw is the co-founder of Community Research Group, LLC. With over eleven years of experience in market research, he has assisted a broad range of clients, including developers, government agencies, non-profit organizations, and financial institutions, with the development of numerous types of housing alternatives throughout the United States. Areas of expertise include market study preparation, pre-feasibility analysis, strategic targeting and market identification, customized survey and focus group research, and demographic and economic analysis. Previous to Community Research, he most recently served as a market consultant for Community Targeting Associates (1997-1999) providing the same types of services.

Mr. Shaw also served as the manager of automotive analysis for J.D. Power and Associates (1992-1997), a global automotive market research firm based in Troy, Michigan. While serving in this capacity, Mr. Shaw was responsible for identifying market trends and analyzing the automotive sector through proprietary and syndicated analytic reports. During his five-year tenure at J.D. Power, Mr. Shaw developed a strong background in quantitative and qualitative research measurement techniques through the use of mail and phone surveys, focus group interviews, and demographic and psychographic analysis.

Previous to J.D. Power, Mr. Shaw was employed as Senior Market Research Analyst with Target Market Systems (the market research branch of First Centrum Corporation) in East Lansing, Michigan. At TMS, his activities consisted largely of market study preparation for projects financed through RHS and MSHDA programs. Other key duties included the strategic targeting and identification of new areas for multi-family and single-family housing development throughout the Midwest.

A 1991 graduate of Michigan State University, Steve graduated with a Bachelor of Arts degree in Marketing with an emphasis in Market Research, while also earning an additional major in Psychology. Mr. Shaw is a member of the Michigan Housing Council, and also a charter member of the National Council of Affordable Housing Market Analysts.